


System for Award Management

	Louisiana Department of Health (LDH)	
	Policy Number	112.1
	Content	Defines Division of Fiscal Management policy for compliance with review of the exclusion list using System for Award Management (SAM)
	Effective Date	August 05, 2015
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LDH is committed to fostering, cultivating and preserving a culture of equity, diversity and inclusion. Our human capital is the most valuable asset we have. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that our employees invest in their work represents a significant part of not only our culture, but our Department’s reputation and achievement as well.

If there is a discrepancy between an LDH Policy and a Program Office or facility policy, the LDH policy shall govern/overrule/supersede the conflicting section within the Program Office or facility policy.

I. STATEMENT OF POLICY

It is the policy of the Louisiana Department of Health (LDH) to fully adhere to the Federal Government’s requirement to review the exclusion list using the Federal Government’s General Services Administration’s System for Award Management (SAM) prior to contracting or requisitioning goods and services from an entity that will be paid

with federal funds. LDH agencies and /or departments shall ensure that the proposed contracted entity is not suspended, debarred, or otherwise excluded from participating in the transaction.

II. APPLICABILITY

This policy shall apply to all offices and bureaus of the Louisiana Department of Health.

III. EFFECTIVE DATE

The effective date of this policy is August 05, 2015.

IV. FEDERAL GOVERNMENT REQUIREMENTS

Federally funded payments under covered transactions to parties that are suspended or debarred by the federal government are prohibited. A non-federal entity, including state agencies, are prohibited from making federally funded payments under covered transactions to parties that are suspended or debarred by the federal government.

V. RESPONSIBILITIES

1. Each LDH agency/department shall develop a procedure to ensure that verification is obtained prior to contracting with or requisitioning goods or services from an entity that will be paid with federal funds under a covered transaction that the entity is not suspended, debarred or otherwise excluded from participating in the transaction. The verification shall be completed by checking the Excluded Parties List System (EPLS) maintained by the General Services Administration and available at the following website: <https://sam.gov/content/home> utilizing the business' name or Unique Entity ID (UEI). Written documentation such as signed certification statements or computer screen shots must be maintained as evidence that these checks were performed prior to the issuance of any payments.
2. Each LDH agency/department shall develop a procedure to ensure that verifications are completed at least annually to identify any contracted entities which have federally funded contracts that meet the definition of a covered transaction have not become suspended or debarred since the last verification check.

VI. DEFINITIONS

For the purpose of this policy, the following words or phrases shall have the following meanings:

A. Covered Transactions - procurement contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a recipient (i.e., sub-awards to sub-recipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

The following types of non-procurement transactions are not covered transactions:

a) A direct award to—

1. A foreign government or foreign governmental entity;
2. A public international organization;
3. An entity owned (in whole or in part) or controlled by a foreign government; or
4. Any other entity consisting wholly or partially of one or more foreign governments or foreign governmental entities.

b) A benefit to an individual as a personal entitlement without regard to the individual's present responsibility (but benefits received in an individual's business capacity are not accepted). For example, if a person receives social security benefits under the Supplemental Security Income provisions of the Social Security Act, 42 U.S.C. 1301 et seq., those benefits are not covered transactions and, therefore, are not affected if the person is excluded.

c) Federal employment.

d) A transaction that a Federal agency needs to respond to a national or agency-recognized emergency or disaster.

e) A permit, license, certificate or similar instrument issued as a means to regulate public health, safety or the environment, unless a Federal agency specifically designates it to be a covered transaction.

f) An incidental benefit that results from ordinary governmental operations.

g) Any other transaction if—

1) The application of an exclusion to the transaction is prohibited by law; or

2) A Federal agency's regulation exempts it from coverage under this part

- B.** Recipient – any non-federal entity that receives federal assistance.
- C.** Sub-recipient – a non-federal entity that expends federal awards received to carry out a program through a primary recipient or other sub-recipient, but does not include an individual that is a beneficiary of such program.

Characteristics of a Sub-recipient:

- 1. Determines eligibility for Federal assistance, and
 - 2. Performance is measured against meeting the objectives of the federal program, and
 - 3. Responsible for programmatic decision making, and
 - 4. Responsible for applicable Federal program compliance requirements, and
 - 5. Uses the funds passed through to carry out a program of the organization, not to provide goods or services for a program of the pass-through entity.
- D.** 2 CFR 180.220 – section in the Code of Federal Regulations which provides regulatory information regarding covered transactions.
 - E.** System for Award Management (SAM) - Consolidated federal procurement system to allow entities seeking to conduct business with the Federal government to register at one centralized site.
 - F.** Unique Entity Identifier-a non-proprietary identifier provided by SAM.gov that replaces the DUNS number.

VII. NONCOMPLIANCE

In the event that LDH fails to comply with the requirements, the result of noncompliance may include disallowance of costs, annulment or termination of transaction, issuance of stop work order, debarment or suspension to include removal from federal programs or other remedies as appropriate.

VIII. REFERENCES

The Office of Statewide Reporting and Accounting Policy issued Memorandum 15-18 on March 9, 2015 directing all ISIS and Non-ISIS Agencies to review exclusion listing using SAM (System for Award Management) to ensure federal compensated covered

transactions are not made to parties who have been suspended or debarred by the federal government.

OSRAP Memorandum 19-09

OSRAP Memorandum 24-05

Code of Federal Regulations Title 2 Section 180.220

Code of Federal Regulations Title 2 Section 180.215

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IX. VIOLATIONS

Any employee who violates this policy may be subject to disciplinary action up to and including dismissal from employment. Violations of this policy may result in corrective action or disciplinary action. Corrective action includes Improvement Letters (Civil Service Rule 12.9), verbal counseling, documented counseling, and/or reprimand. Letters issued for corrective action are at the sole discretion of the Appointing Authority. Disciplinary actions are Suspension without Pay, Reduction in Pay, Involuntary Demotion and Dismissal (Civil Service Rule 12.3). Any disciplinary action taken is at the sole discretion of the Appointing Authority.

X. REVISION HISTORY

Date	Revision
August 05, 2015	Policy created
December 20, 2018	Housekeeping changes: V. Responsibilities; VI. Definitions; VIII. References
October 30, 2023	Policy reviewed
November 30, 2023	Policy updated
November 7, 2024	Policy reviewed

