

01 NCAC 05B .1520 DEBARMENT

(a) For the purpose of this Rule, "debarred" or "debarment" means a Vendor shall not be entitled to enter into a Contract for Goods or Services and shall be removed from any distribution lists which may be utilized by the Division.

(b) A Vendor shall be debarred pursuant to G.S. 143-59.2 if the Vendor or any officer, director or owner is convicted of any violation under G.S. 78A, the Securities Act of 1933 or the Securities Exchange Act of 1934.

(c) A Vendor may be debarred by the SPO upon a finding of fraud, misrepresentation, or other deceptive acts or practices while doing business with a State agency during an audit by the State Auditor in accordance with G.S. 147-64.6(c)(21) or after an internal audit by an internal auditor in accordance with G.S. 143-746(f). After a finding by the State Auditor or internal auditor, the SPO's determination to debar a Vendor shall be based on the following factors:

- (1) the severity of the conduct identified in the findings and any recommended actions by the State Auditor or internal auditor; and
- (2) a Vendor's history of performance on one or more contracts.

(d) The SPO shall notify a Vendor of any debarment and appeal rights under Article 3 of G.S. 150B, in writing, which may include Electronic form.

*History Note: Authority G.S. 143-49; 143-52; 143-53; 143-59.2; 143-60; 147-64.6(c)(21); 143-746;
Eff. February 1, 1996;
Amended Eff. April 1, 1999;
Readopted Eff. December 1, 2019.*