

09 NCAC 06B .1206 DEFAULT PROCEEDINGS; DISQUALIFICATION; AND DEBARMENT

(a) Disqualification: The purchasing agency may find a vendor in default of contract for failing to perform in accordance with the contract requirements, terms and conditions. If a vendor is found in default of contract, the purchasing agency may take action, immediate if necessary, to purchase the needed goods or services on the open market and charge any additional cost for the goods or services and expense for doing so to the defaulting vendor. If an agency other than ITS finds a vendor in default, such action and the circumstances shall be reported by the agency to ITS in writing. This does not limit any other remedies that may be available to the state or agency.

(b) Causes for Debarment or Suspension: The causes for debarment or suspension include the following:

- (1) conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
- (2) conviction under State or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a state vendor;
- (3) conviction under State or federal antitrust statutes arising out of the submission of bids or proposals;
- (4) deliberate failure without good cause to perform a contract in accordance with the specifications or within the time limit provided in the contract: and
- (5) for violation of the State Government Ethics Act or the Lobbying laws set forth in G.S. 138A-1 et seq., and GS 120C-1 et seq. respectively.

(c) Effect of Debarment: Upon finding cause to debar a vendor, The State CIO may remove the vendor from any distribution lists that may be utilized and prohibit award of any contract to the debarred vendor for a period not to exceed one year.

(d) Notice: The State CIO shall notify any vendor of the disqualification or debarment in writing.

*History Note: Authority G.S. 147-33.76(b1);
Temporary Adoption Eff. January 1, 2000;
Eff. August 1, 2000;
Recodified from 09 NCAC 06B .1030 Eff. March 19, 2008;
Amended Eff. September 1, 2013;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. April 25, 2015.*