Proposed Suspension and Debarment Policy

I. Introduction

As a recipient of federal and state funds, the Louisiana Housing Corporation (hereinafter "LHC") has a duty to ensure that all funds are expended solely for their intended purposes and in accordance with applicable regulations and funding requirements. To meet this obligation, the LHC may suspend or debar individuals and/or entities which fail to comply with all rules, statutes, and best practice standards. This policy will cover all programs that are funded by the LHC.

II. Grounds – Suspension versus Debarment

Both suspension and debarment would be subject to appeals. Suspension and/or debarment with respect to any entity will also apply to that entity's officers, partners, and/or members.

a. Suspension

The individual and/or entity is prohibited from participation in LHC funded programs for a period of 1 year (365 days).

- **i.** Grounds for suspension include but are not limited to:
  1. Failure to comply with the terms and/or conditions of a previously awarded Contract with the LHC that resulted in the Contract being terminated;
  2. If the individual and/or entity is granted any additional funds once an award has been made by the LHC;
  3. Failure to comply with one or more LHC Program requirements;
  4. Ineffective or improper use of funds awarded by the LHC;
  5. If individual and/or entity owes an outstanding balance for any fees due to the LHC, and said fees are at least 90 days past due;
  6. Any action or conduct that is reasonably suspected to constitute impropriety;
  7. Any action or conduct that constitutes actual impropriety;
  8. Failure to perform or unsatisfactory performance in accordance with the terms of one or more Contracts;
  9. Failure to keep and/or obtain proper licensure with the Louisiana State Licensing Board for Contractors when performing work that requires licensure from the Board of Contractors;
  10. Entering into a guilty plea, no contest plea, assessment of fines, or entering into a settlement agreement with the Louisiana State Licensing Board for Contractors as a result of a violation.
      - **a.** The term of suspension will commence from the date of said plea, assessment of fines, or settlement agreement.
  11. Material misrepresentations concerning LHC program requirements or authority, or interference with LHC program administration, where suspension is reasonably necessary to protect LHC programs or funds.

12. Serving as a consultant, advisor, contractor, agent, volunteer, or other participant in connection with an LHC-funded project that fails to meet critical deadlines, violates program requirements, results in foreclosure, or results in liability to the U.S. Department of Housing and Urban Development, or any other state or federal agency.

b. Debarment

Bar on program participation for more serious violations for a period of (either 5 years or permanently, to be determined by the Executive Director).

i. Grounds:

1. Final conviction of or final civil judgment for:
   a. Residential Contractor Fraud – La. R.S. 14:202.1
   b. Other fraud or criminal offense in connection with obtaining, attempting to obtain, or performing a public contract or subcontract;
   c. Other fraud or criminal offense in connection with any business dealings;

2. If an individual and/or entity has been subject to a previous suspension, subsequently engages in the same or substantially similar misconduct as outlined above;

3. Debarment by another Louisiana governmental agency, the governmental agency of any other state, or a federal governmental agency;

4. If an individual and/or entity has received a waiver from the LHC for any amount of funds after the time of original application or closing;

5. Debarment will be mandated for any contractor or entity which causes the LHC to become indebted to the U.S. Department of Housing and Urban Development, or any other state or federal agency.

6. Knowingly or recklessly making material misrepresentations concerning LHC program requirements, funding decisions, or authority; falsely claiming authority to act on behalf of LHC; or engaging in repeated, material interference with LHC program administration after written notice to cease such conduct.

7. Repeatedly serving as a consultant, advisor, contractor, agent, volunteer, or other participant in connection with LHC-funded projects that fail to meet critical deadlines, violate program requirements, result in foreclosure, or results in liability to the U.S. Department of Housing and Urban Development, or any other state or federal agency.

III. Procedure

a. Written Notice of Proposed Suspension/Debarment

i. Written notice will be sent via electronic mail
ii. Contents of Notice of Proposed Suspension or Debarment
    1. Name of person(s) and/or entity proposed for suspension/debarment
    2. All causes/grounds for proposed suspension or debarment
    3. Term of suspension or debarment
        a. Suspension – 1 year
        b. Debarment – 5 years or permanently
    4. Information on the right to appeal

b. Appeal

i. The person(s) and/or entity who has been subject to a suspension or debarment may submit a written request for an appeal.
ii. The request for appeal shall be submitted within 15 calendar days of the delivery of the notice of suspension or debarment.
iii. The appeal will be decided by the Executive Director or his designee.
iv. The appeal shall contain: (1) written reasons why the person(s) and/or entity should not be suspended or debarred; and (2) evidentiary support to refute all causes/grounds for proposed suspension or debarment.
v. Any appeal that consists of mere general denials of the allegations shall not be considered.
vi. The appeal shall be mailed to the following address:

Louisiana Housing Corporation
Attention: Executive Director
Re: Debarment Appeal
2415 Quail Dr.
Baton Rouge, LA 70808

c. **Reinstatement**

i. Any person(s) and/or entity that has been suspended or debarred may apply for requalification after the period of suspension or debarment has concluded.
ii. The application for requalification shall be mailed to the following address:

Louisiana Housing Corporation
Attention: Executive Director
Re: Requalification
2415 Quail Dr.
Baton Rouge, LA 70808

iii. Any person(s) that has been debarred, or has been a member of an entity that has been debarred, may not participate in any LHC programs as part of any corporation or entity contracting with the LHC during the term of their suspension or debarment.