**ERS110SA\_\_\_\_\_\_\_\_**

**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM**

**SUPPLIER AGREEMENT**

**BETWEEN**

**MISSOURI DEPARTMENT OF SOCIAL SERVICES**

**FAMILY SUPPORT DIVISION**

**and**

**HOME ENERGY SUPPLIER**

1. **Purpose**
   1. This agreement, made by and between the Department of Social Services, Family Support Division (hereinafter referred to as the State Agency) and Home Energy Supplier stated below, (hereinafter referred to as the Supplier) shall be as follows:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_     \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Name of Company)

Pursuant to Missouri’s Low Income Home Energy Assistance Program (LIHEAP) Energy Assistance (EA) and Energy Crisis Intervention Program (ECIP) under Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (PL 97-35) as amended by the Title VI of the Human Services Reauthorization Acts of 1984 (PL 98-558), of 1986 (PL 99-425), of 1990 (PL 101-501), 1994 (PL 103-252) and 1998 (PL 105-258), the agreement of the parties shall be as follows:

1. **DEFINITIONS**:

***Credit Balance*** – any surplus of funds remaining on the account of an eligible customer at the conclusion of the appropriate program period defined in the agreement which was created as the result of the LIHEAP payment to the Supplier.

***Eligible Customer*** – a household that has made application for assistance under LIHEAP, that has been determined by the State Agency or contractors to be eligible for benefits, and has been accepted by the Supplier as an active account.

***Home Heating Fuels*** – for purpose of LIHEAP, includes fuel oil, tank propane, natural gas, or electricity utilized as the source of heating for a residential dwelling occupied by an eligible customer. Cylinder propane qualifies as a primary home heating fuel but payment is always made directly to the customer in these situations. If a cylinder propane user is incorrectly entered as a tank propane user by the LIHEAP contractors, the Supplier should not accept payment on behalf of this customer. This customer should be coded as a non-heat account on the Customer Eligibility Listing.

***Payment*** – a line of credit payment to the Supplier equal to the maximum subsidy per eligible

customer as set forth in Attachment A of this agreement.

1. **Term of Agreement/Modifications**
   1. The agreement period shall be effective October 1, 2013 through September 30, 2014. The agreement shall not bind, nor purport to bind, the state for any commitment in excess of the original agreement period. The State Agency shall have the right, at its sole option, to renew the agreement for three (3) additional one-year periods, or any portion thereof. In the event the State Agency exercises such right, all terms and conditions, requirement and specification of the agreement, shall remain the same and apply during renewal periods. This agreement shall become effective upon signature by authorized representatives of the Supplier and the State Agency and shall apply to home energy fuels delivered or provided to eligible customers under LIHEAP in accordance with the following program periods:
2. Natural Gas and Electricity – home heating energy consumed beginning on or after October 1st of each year and ending no later than the end of the first billing cycle for an eligible customer after March 31st of each year.
3. Fuel Oil and Tank Propane – home heating energy delivered to an eligible customer beginning on or after July 1st, of each year and ending no later than March 31st of each year.
   1. Any changes to the agreement, whether by modification and/or supplementation, must be accomplished by a formal agreement amendment signed and approved by and between the duly authorized representative of the Supplier and the State Agency prior to the effective date of such modification. No other method and/or no other document, including correspondence, acts, and oral communications by or from any person, shall be used or construed as an amendment or modification to the agreement.
   2. This document expresses the complete agreement of the parties and performance shall be governed solely by the specifications and requirements contained herein. The exclusive venue for any litigation arising under this agreement shall be Cole County, Missouri. This agreement shall be interpreted in accordance with the laws of the State of Missouri.
4. **Responsibilities of the Parties**

4.1 The State Agency agrees to:

1. Provide the Supplier with a weekly listing of eligible customers (Customer Eligibility Listing or CEL) who have designated the company as their primary home heating fuel supplier. These listings shall include at least the following data elements:

* Complete name of eligible customer.
* Complete address of eligible customer.
* Customer account number provided on the Supplier’s billing information.
* Amount of payment to be made by the State Agency on behalf of each eligible customer whose name appears on the listing.
* Social Security Number of the customer supplied by the State Agency.

1. Secure from each eligible customer and from its agents or contractors, written authorization for the release of information concerning the eligible customer’s account with the Supplier.
   1. The Supplier agrees to:
2. Require any of its districts, regional or local companies who provide services to eligible customers in Missouri, to comply with all provisions of this agreement. The Supplier shall complete Exhibit 1 and submit with the signed agreement, the complete name and address of any sub-suppliers who will be involved under the terms of this agreement.
3. As conditions for receiving payment for its eligible customers under Missouri’s Low Income Home Energy Assistance Program, the Supplier:
   1. Shall not discriminate with regard to the terms or conditions of the sale, availability of credit, delivery or price of home energy fuels offered to eligible customers in relation to its other residential customers;
   2. Shall return Customer Eligibility Listings (CEL's) to the State Agency within **fifteen (15) calendar days** after they are received, indicating whether or not the LIHEAP payment to be made on behalf of the eligible customer will be accepted by the Supplier. If the Supplier notifies the State Agency that they will not accept payment on behalf of a particular eligible customer for reasons other than those stipulated in this agreement, payment will automatically be made to the eligible customer. If the Supplier **fails to return** a CEL within a **thirty (30) calendar day** timeframe, **direct payments** will be made to **all customers** who appeared on said listing;
   3. Shall accept the LIHEAP payment to be made on behalf of an eligible customer; and not use any portion of the LIHEAP payment made on behalf of the eligible customer for reimbursement of fees charged by collection agencies;
   4. Shall credit, through normal billing process, the full amount of the LIHEAP payment received to an eligible customer’s account. The Supplier may apply any portion of the received LIHEAP payment to an eligible customer’s previous account balance, provided the requirements of this agreement are observed by the Supplier after the LIHEAP payment is applied to the eligible customer’s previous account balance;
   5. Should make an effort to offer eligible customers, on whose behalf the State Agency has made payment, a deferred payment plan for any balance due on their account that exceeds the amount made by the State Agency; consider continued provision of home energy fuel to the eligible customer who maintains their deferred payment plan that was negotiated for the duration of this agreement;
   6. Shall provide home energy fuels in the amount at least equivalent to the amount of pledge made by the State Agency on behalf of the eligible customer; restore and/or continue service during the service period covered by the payment for at least thirty (30) calendar days from the date of pledge made on behalf of the eligible customer for whom the Supplier has agreed to accept the LIHEAP pledge;
   7. Should consider waiving deposits, name change or late payment fees for an eligible customer for whom the Supplier agrees to accept a LIHEAP payment;
   8. Shall not transfer any portion of the LIHEAP payment made on behalf of an eligible customer to any other customer’s account;
   9. Should notify each eligible customer in writing of the amount of any credit balance remaining on their account as a result of the LIHEAP payment, no later than the end of the first billing cycle for the eligible customer after March 31st of each year. In the case of payments received after March 31st notification of any credit balance must be made no later than the next regular billing cycle for the customer on whose behalf the LIHEAP payment is received.
   10. Shall refund any credit balance remaining on an eligible customer’s account directly to the customer, when the customer voluntarily terminates service with the Supplier or leaves the Supplier’s designated service area, no later than sixty (60) calendar days after their final billing statement.
   11. In the event an eligible customer moves from a rental property, where LIHEAP funds were utilized to fill a propane tank, the fuel must remain in the tank belonging to the landlord of the rented property. Credits will not be issued to the eligible customer in these circumstances.
   12. In the event the designated customer dies during the program coverage period and the credit balance on their account is not used by a surviving spouse at the same address, it will be refunded to the State Agency. Any credit balances that cannot be utilized under the terms of this agreement will be refunded to the State Agency no later than September 30th of each year.
   13. Shall not accept the LIHEAP payment on behalf of customers with the following account status:
4. Inactive Account (Natural Gas and Electric): an account on which service was terminated prior to October 1st of each year or later and the Supplier does not agree to restore or continue service to this customer under the provisions of this agreement;
5. Inactive Account (Fuel Oil and Tank Propane): an account on which no purchases of home heating fuel were made in the six (6) month period immediately preceding October 1st of each year;
6. Non-Heat Account (EA program only): an account which the Supplier can identify via actual usage patterns or other means, as not being utilized as the primary source of home heating;
7. Commercial Account: an account identified by the Supplier via rate structures or other means, as generally being utilized by a commercial business;
8. Not Our Customer: an account which the Supplier is unable to identify via existing records as being a customer of the company;
9. Invalid Account Number: an account which the Supplier is unable to identify via existing records the customer account number;
10. Needs Additional Payment: an account on which the Supplier needs additional funds to restore and continue services;
11. Negative Customer Response: an account which the Supplier is able to verify the customer failed to call and make an appointment to restore services;
12. Credit on Account Response (Natural Gas and Electric): an account which the Supplier verifies a credit of $500 or more exists.
    1. Must utilize the identifying information below concerning eligible customers served when corresponding with the State Agency:

* Complete name of eligible customer (account holder).
* Complete address of eligible customer.
* Customer account number of eligible household.
* Social security number of the customer supplied by the State Agency.

1. **Payments**
   1. The State Agency agrees to provide payment to the Supplier within fifteen (15) calendar days for those customers whom the Supplier has agreed to accept payment.
2. Failure to submit the EA CELS within the time frames set forth in this agreement may delay payment.
   1. The Supplier is encouraged to participate in the State’s Agency’s direct deposit program and to complete an Automatic Clearing House/Electronic Funds Transfer (ACH/EFT) application.
   2. The Supplier agrees to accept ECIP payments forty-five (45) calendar days after a contract agency has made a pledge for payment.
   3. If funds for payment of home energy costs of eligible customers are not sufficient to permit the State Agency to reimburse the Supplier in accordance with the payment maximums specified in Attachment A, the State Agency will prorate payments to the Supplier on the basis of the total obligations for energy costs of all eligible customers in Missouri and the amount of funding available to meet these obligations. This procedure would be utilized until all available funding for the payment of energy costs of eligible customers has been expended.
3. **Monitoring/Reporting**
   1. The State Agency is required to perform a review of actual usage data of eligible customers served during the program year. The State Agency will provide a report to randomly selected Suppliers at the end of the regular heating season. The Supplier shall submit to the State Agency actual usage data for each eligible customer in each billing cycle or calendar month of the pertinent period set forth under the program period defined in this agreement. Actual usage data submitted shall include:
4. The complete name and address of each eligible customer;
5. The customer’s account number;
6. The Social Security Number of each customer;
7. The number of units of home heating fuel consumed during each billing cycle or calendar month of the appropriate program coverage period defined in this agreement;
8. The total actual costs for the number of units of home heating fuel consumed by each eligible customer during each billing cycle or calendar month of the program coverage period;
9. The amount of any credit balance remaining on the account of an eligible customer at the end of the first billing cycle for an eligible customer after March 31st of each year;
10. The amount of an eligible customer’s outstanding account balance at the time the Supplier agreed to accept the LIHEAP payment if the Supplier used the payment in accordance with this agreement;
11. **Confidentiality**
    1. The Supplier shall understand that all discussions with the Supplier and all information gained by the Supplier as a result of the Supplier’s performance under the agreement shall be confidential and that no reports, documentation, or material prepared as required by the agreement shall be released to the public without the prior written consent of the State Agency.
    2. The State Agency agrees that any information provided by the Supplier on the account of an eligible customer shall be used solely for the purpose of administering LIHEAP and for no other purposes, and shall obtain the same agreement from any of its agents and contractors.
    3. The Supplier agrees to restrict utilization of any information related to eligible customers of LIHEAP and not use or disclose any information related to its eligible customers to any parties except the State Agency and/or the State Agency’s agents or contractors, and comply with all applicable state and federal laws dealing with privacy and confidentiality, and if determined to be out of compliance, this agreement shall immediately be declared null and void.
    4. The Supplier shall ensure that all persons in its employ who are authorized to have access to and/or use information obtained from the State Agency, as described in this agreement, understand these conditions, and in the case of information obtained electronically or by using the web-based access, attest to such understanding in writing by signing a DSS/FSD Security Access and Confidentiality Agreement form. Availability of this information must be strictly limited to employees with a “need to know” and must not, under any circumstances, be shared with anyone else. If determined to be out of compliance, access will be denied and this agreement shall be declared null and void.
    5. The Supplier agrees to maintain, and upon request of the State Agency, permit authorized representatives of the Department of Social Services, and such other Federal or State agencies as may require such information, to have access to such records as may be necessary to confirm the Supplier’s compliance with the provisions of this agreement. The Supplier agrees to retain all books, records, and other documents relevant to this agreement for a minimum of five (5) years or until litigation, claim, negotiation, audit, or other action involving the records that was initiated prior to the expiration of this five (5) year period has been completed.
12. **Fraud Prevention and Reporting**
    1. The Supplier shall report to the Department of Social Services (DSS), Division of Legal Services (DLS) any financial fraud or abuse misconduct in the administration of LIHEAP as soon as the Supplier determines that there are reasonable grounds to believe that financial fraud or abuse or misconduct has occurred by calling 877-770-8055 or by email at [DLS.ReportFraud@dss.mo.gov](mailto:DLS.ReportFraud@dss.mo.gov) Suppliers will cooperate with all DLS investigations of suspected fraud and abuse or misconduct.
    2. The Supplier may be prosecuted under applicable federal and/or state law for false claims, statements or documents or concealment of material fact.
13. **Termination**
    1. Termination of this agreement may occur by either party terminating its duties under this agreement upon provision of thirty (30) calendar days written notice to the other, except that the duties of Section 4.2b 9 through 13, 5.3 and 6.1 shall survive.
    2. It is understood and agreed upon that in the event funds and/or appropriation authority from local, state, and federal sources are not obtained and continued at an aggregate level sufficient to allow for the purchase of the indicated quantity of services, as determined by the State Agency, the obligation of each party hereunder shall thereupon be terminated immediately upon receipt of written notice from the State Agency;
    3. It is further understood and agreed that either party, at any time, may with cause related to adequacy of performance, terminate this agreement immediately by written notice. Any written notification shall be effective upon deposit in the mail; and
    4. When an agreement is terminated for cause, the Supplier shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible.
14. **Debarment Certification**
    1. The Supplier, by signing the signature page of this original agreement and any amendment signature page(s), certifies that the Supplier is not presently debarred, suspended, proposed for debarment, declared ineligible, voluntarily excluded from participation, or otherwise excluded from or ineligible for participation under federal assistance programs. The Supplier should complete and return the attached certification regarding debarment, etc., Exhibit 2 with the proposal. This certification must be satisfactorily completed prior to award of the agreement.
15. **Business Compliance**
    1. The Supplier must be in compliance with the laws regarding conducting business in the State of Missouri. The Supplier certifies by signing the signature page of this original document and any amendment page(s) that the Supplier and any proposed subcontractors either are presently in compliance with such laws or shall be in compliance with such laws prior to any resulting agreement. The Supplier shall provide documentation of compliance upon request by the State Agency. The compliance to conduct business in the state shall include, but not necessarily be limited to:
16. Registration of business name (if applicable):
17. Certificate of authority to transact business/certificate of good standing (if applicable);
18. Taxes (e.g., city/county/state/federal);
19. State and local certifications (e.g., professions/occupations/activities);
20. Licenses and permits (e.g., city/county license, sales permits); and
21. Insurance (e.g., worker's compensation/unemployment compensation).
    1. In the event the Supplier contracts with any other party to effectuate the terms of this agreement, the agreement between the Supplier and said other party, shall incorporate by reference and specify that said other party is currently in compliance with this agreement.

This agreement and any attachments thereto set forth all promises, agreements, and understandings between the State Agency and the Supplier. No alterations, modifications, or amendments of this agreement shall be binding upon either party unless it has been reduced to writing and properly executed by authorized representatives of both parties to the agreement. In witness thereof, the State Agency and the Supplier hereby execute this agreement.

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Authorized Representative of Supplier Authorized Representative of the

Department of Social Services

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Date Date

**EXHIBIT 1- SUPPLIER INFORMATION**

**PLEASE COMPLETE THE INFORMATION BELOW AND RETURN WITH THE SIGNED AGREEMENT. THE DIVISION WILL COMPLETE THE LAST LINE AND RETURN WITH THE SUPPLIER COPY OF THE SIGNED AGREEMENT.**

***Please attach a complete listing of all your branch offices, including their names, address, telephone and fax numbers and current e-mail addresses.***

COMPANY NAME

COMPANY MAILING ADDRESS

CITY       STATE       ZIP CODE

COUNTY

TELEPHONE NUMBER (     )

FAX NUMBER (     )

E-MAIL ADDRESSES (Primary)

(Other)

(Other)

(Other)

(Other)

(Other)

TYPES OF FUEL PROVIDED

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**For State Office Use Only:**

***Supplier Number Assigned: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_***

***ATTACHMENT A*** FY14 – FY17 LIHEAP Agreement

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **HOUSEHOLD** |  | **MONTHLY INCOME AMOUNTS** | | |  |  |
| **SIZE** | **A**  **0%-25%** | **B**  **26%-50%** | **C**  **51%-75%** | **D**  **76%-100%** | **E**  **101%-125%** | **F**  **126%-135%** |
| **1** | **0-239** | **240-479** | **480-718** | **719-958** | **959-1,197** | **1,198-1,293** |
| **2** | **0-323** | **324-646** | **647-969** | **970-1,293** | **1,294-1,616** | **1,617-1,745** |
| **3** | **0-407** | **408-814** | **815-1,221** | **1,222-1,628** | **1,629-2,034** | **2,035-2,197** |
| **4** | **0-491** | **492-981** | **982-1,472** | **1,473-1,963** | **1,964-2,453** | **2,454-2,649** |
| **5** | **0-574** | **575-1,149** | **1,150-1,723** | **1,724-2,298** | **2,299-2,872** | **2,873-3,102** |
| **6** | **0-658** | **659-1,316** | **1,317-1,974** | **1,975-2,633** | **2,634-3,291** | **3,292-3,554** |
| **7** | **0-742** | **743-1,484** | **1,485-2,226** | **2,227-2,968** | **2,969-3,709** | **3,710-4,006** |
| **8** | **0-826** | **827-1,651** | **1,652-2,477** | **2,478-3,303** | **3,304-4,128** | **4,129-4,458** |
| **9** | **0-909** | **910-1,819** | **1,820-2,728** | **2,729-3,638** | **3,639-4,547** | **4,548-4,911** |
| **10** | **0-993** | **994-1,986** | **1,987-2,979** | **2,980-3,973** | **3,974-4,966** | **4,967-5,363** |
| **11** | **0-1,077** | **1,078-2,154** | **2,155-3,231** | **3,232-4,308** | **4,309-5,384** | **5,385-5,815** |
| **12** | **0-1,161** | **1,162-2,321** | **2,322-3,482** | **3,483-4,643** | **4,644-5,803** | **5,804-6,267** |
| **13** | **0-1,244** | **1,245-2,489** | **2,490-3,733** | **3,734-4,978** | **4,979-6,222** | **6,223-6,720** |
| **14** | **0-1,328** | **1,329-2,656** | **2,657-3,984** | **3,985-5,313** | **5,314-6,641** | **6,642-7,172** |
| **15** | **0-1,412** | **1,413-2,824** | **2,825-4,236** | **4,237-5,648** | **5,649-7,059** | **7,060-7,624** |
| **16** | **0-1,496** | **1,497-2,991** | **2,992-4,487** | **4,488-5,983** | **5,984-7,478** | **7,479-8,076** |
| **17** | **0-1,579** | **1,580-3,159** | **3,160-4,738** | **4,739-6,318** | **6,319-7,897** | **7,898-8,529** |
| **18** | **0-1,663** | **1,664-3,326** | **3,327-4,989** | **4,990-6,653** | **6,654-8,316** | **8,317-8,981** |
| **19** | **0-1,747** | **1,748-3,494** | **3,495-5,241** | **5,242-6,988** | **6,989-8,734** | **8,735-9,433** |
| **20** | **0-1,831** | **1,832-3,661** | **3,662-5,492** | **5,493-7,323** | **7,324-9,153** | **9,154-9,885** |
|  |  |  |  |  |  |  |
| **FUEL TYPE** | **A** | **B** | **C** | **D** | **E** | **F** |
| **1. NATURAL GAS** | **$296** | **$278** | **$259** | **$240** | **$221** | **$203** |
| **2. TANK PROPANE** | **$450** | **$413** | **$375** | **$338** | **$300** | **$263** |
| **3. ELECTRIC** | **$289** | **$270** | **$251** | **$233** | **$214** | **$195** |
| **4. FUEL OIL** | **$296** | **$278** | **$259** | **$240** | **$221** | **$203** |
| **5. WOOD** | **$199** | **$180** | **$161** | **$143** | **$124** | **$105** |
| **6. KEROSENE** | **$139** | **$120** | **$101** | **$83** | **$64** | **$45** |
| **7. CYL. PROPANE** | **$161** | **$143** | **$124** | **$105** | **$86** | **$68** |

**Exhibit 2 - Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98 Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

***(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS FOR CERTIFICATION)***

(1) The prospective recipient of Federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Company Name |  | DUNS # |
|  |  |  |
|  |  |  |
| Authorized Representative’s Printed Name |  | Authorized Representative’s Title |
| Authorized Representative’s Signature |  | Date |

**Instructions for Certification**

1. By signing and submitting this proposal, the prospective recipient of Federal assistance funds is providing the certification as set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective recipient of Federal assistance funds knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Department of Labor (DOL) may pursue available remedies, including suspension and/or debarment.

3. The prospective recipient of Federal assistance funds shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective recipient of Federal assistance funds learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective recipient of Federal assistance funds agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the DOL.

6. The prospective recipient of Federal assistance funds further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to check the List of Parties Excluded from Procurement or Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntary excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the DOL may pursue available remedies, including suspension and/or debarment.