

Subpart 803.70—Contractor Responsibility To Avoid Improper Business Practices

SOURCE: 57 FR 58718, Dec. 11, 1992, unless otherwise noted.

803.7000 Policy.

It is the Department of Veterans Affairs (VA) policy to contract with companies that conduct business with the highest degree of integrity and honesty. To demonstrate this commitment to integrity and honesty, contractors should have standards of conduct and internal control systems that are designed to promote such standards, to facilitate the timely discovery and disclosure of improper conduct in connection with Government contracts, and to assure that corrective measures are promptly instituted and carried out. For example, a contractor's system of management controls should provide for—

- (a) A written code of business ethics and standards of conduct and an ethics training program for all employees;
- (b) A mechanism, such as a hotline, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports;
- (c) Disciplinary action for improper conduct;
- (d) Periodic reviews of company business practices, procedures, policies, and internal controls for compliance with standards of conduct and the special requirements of Government contracting;
- (e) Internal and/or external audits as appropriate;
- (f) Timely reporting to appropriate Government officials of any suspected or possible violations of law in connection with Government contracts or any other irregularities in connection with such contracts; and

- (g) Full cooperation with any Government agencies responsible for either investigation or corrective actions.

803.7001 Display of VA hotline poster.

Contractors who are awarded a VA contract of—

- (a) \$500,000 or more for supplies or services, or
- (b) \$3 million or more for construction, and who have not established an internal reporting mechanism and program, as described in 803.7000(b), shall be required to display prominently in common work areas within business segments performing work under VA contracts, the VA hotline poster prepared by the VA Office of Inspector General.

803.7002 Contract clause.

The contracting officer shall insert the clause at 852.203-71, Display of VA hotline poster, in solicitations and contracts expected to equal or exceed the dollar thresholds established in 803.7001.

PART 804—ADMINISTRATIVE MATTERS

Subpart 804.1—Contract Execution

AUTHORITY: 38 U.S.C. 501 and 40 U.S.C. 486(c).

804.101 Contracting officer's signature.

In the event a contracting officer's name and title has been typed, stamped or printed on the contract and the contracting officer is not available to sign the contract, a designee may sign for the contracting officer. Such designee must be a contracting officer as specified in 801.602 and must have specific contracting authority to cover the contract to be signed.

[49 FR 12592, Mar. 29, 1984, as amended at 61 FR 20492, May 7, 1996]