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To protect the public interest, debarments and suspensions are discretionary actions which are initiated to implement the Government policy that it conduct business only with responsible persons. 34 C.F.R. § 85.115(a). The regulations authorizing these proceedings apply to all persons who have participated, are currently participating or may reasonably be expected to participate in transactions under Federal nonprocurement programs. 34 C.F.R. § 85.110(a). I have considered the record in this matter and I find that the Respondent falls within this category.

The governing regulation further provides that a suspension may be imposed if an individual is suspected of committing an offense which is listed as a cause for debarment in 34 C.F.R. § 85.305(a). An indictment on one or more of those offenses constitutes sufficient evidence for the purposes of suspension actions. 34 C.F.R. § 85.405(b). After reviewing the indictment, I find that the offenses charged therein, following a conviction, would provide adequate evidence to support a debarment. Accordingly, I find that a suspension of Mr. Stern is appropriate and the Notice of Suspension was properly issued.

ORDER

On the basis of the foregoing, it is hereby ORDERED that the Notice of Governmentwide Suspension from Federal Procurement and Nonprocurement Transactions is affirmed.

Judge Richard I. Slippen
Deciding Debarment and Suspension Official

Dated: August 6, 1997

SERVICE

A copy of the attached initial decision was sent by certified mail, return receipt requested to the following:

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