

**SUBCHAPTER A—GENERAL**

**PART 803—IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST**

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AUTHORITY: 40 U.S.C. 121(c); 41 U.S.C. 1121(c)(3); 41 U.S.C. 1702; and 48 CFR 1.301–1.304.

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**PART 803—IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST**

**Subpart 803.1—[Reserved]**

**Subpart 803.2—Contractor Gratuities to Government Personnel**  
*(Revised 5/16/2018)*

**803.203 Reporting suspected violations of the Gratuities clause.**

- (a) Any VA employee must report a suspected violation of the Gratuities clause to the contracting officer or a higher level VA official.
- (b) The report must identify the contractor and the personnel involved, provide a summary of the pertinent evidence and circumstances that indicate a violation, and include any other available supporting documentation.
- (c) The contracting officer or higher level official must supplement the file with appropriate information and promptly forward the report to the DSPE with copies to the VA Office of the Inspector General and the Assistant Secretary for Management.

**803.204 Treatment of violations.**

In providing the notice and hearing required by [FAR 3.204](#), the following applies—

- (a) The SDO shall determine whether or not a violation of the Gratuities clause, [52.203-3](#) has occurred and what action will be taken under [FAR 3.204\(c\)](#).
- (c) When the SDO determines that a violation has occurred and that debarment is being considered, he or she shall follow procedures at [809.406-3](#).

**Subpart 803.3—[Reserved]**

**Subpart 803.4—[Reserved]**

**Subpart 803.5—Other Improper Business Practices**  
*(Revised 5/16/2018)*

**803.570 Commercial advertising.**

**803.570-1 Policy.**

VA policy prohibits contractors from making references in its commercial

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advertising to VA contracts in a manner that states or implies the Government approves or endorses the product or service or considers it superior to other products or services. The intent of this policy is to preclude the appearance of bias toward any product or service.

**803.570-2 Contract clause.**

The contracting officer shall insert the clause at [852.203-70](#), Commercial advertising, in solicitations and contracts expected to equal or exceed the micro-purchase threshold.

**Subpart 803.6—[Reserved]**

**Subpart 803.7—[Reserved]**

**Subpart 803.8—[Reserved]**

**Subpart 803.11—Preventing Personal Conflicts of Interest for Contractor Employees Performing Acquisition Functions**  
(Added 5/16/2018)

**803.1103 Procedures.**

(a) By use of the contract clause at [52.203-16](#), Preventing Personal Conflicts of Interest, the contracting officer shall require each contractor whose employees perform acquisition functions closely associated with inherently governmental functions to obtain from each covered employee a signed non-disclosure agreement to prohibit disclosure of non-public information accessed through performance of a Government contract. See [FAR 3.1103\(a\)\(2\)\(iii\)](#).

[Deviation per [Class Deviation](#) from VAAR parts 803, 819, 827, 847, and 849 Regarding Certified Mail Receipt Requested and Mail Requirements, dated September 28, 2020, provides an exception to certified mail receipt requested and mail requirements. This deviation expires once incorporated into the VAAR or is otherwise rescinded.]

**Subpart 803.7—Voiding and Rescinding Contracts**

**803.705 Procedures.**

(c) *Decision-making process.*

(1) The notice shall be sent by certified mail, return receipt requested, or by any other method that provides evidence of receipt.

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(e) *Final agency decision.* The notice of the decision shall be sent promptly by certified mail, return receipt requested, or by any other method that provides evidence of receipt.

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