

LOS ANGELES UNIFIED SCHOOL DISTRICT



REQUEST FOR PROPOSAL (RFP) NO.: 1095

INVESTMENT CONSULTING SERVICES ON 403(b), 457(b), and PARS

ISSUED: JULY 20, 2012

Los Angeles Unified School District

Procurement

JOHN E. DEASY, Ph.D.
Superintendent of Schools

MICHELLE KING
Senior Deputy Superintendent, School Operations

ENRIQUE BOULL'T
Chief Operating Officer

MARK HOVATTER
Interim Chief Facilities Executive

YVETTE MERRIMAN-GARRETT
Interim Director of Procurement

REQUEST FOR PROPOSAL LETTER

Date: July 20, 2012

Attention: Proposers

Subject: REQUEST FOR PROPOSAL (RFP) NO. 1095
INVESTMENT CONSULTING SERVICES ON 403(b), 457(b), & PARS

The Los Angeles Unified School District (District or LAUSD) seeks proposals from qualified firms to provide **Investment Consulting Services** on matters of 403(b), 457(b) and PARS as delineated in the Statement of Work (SOW). Contractor shall serve as an advisor to the Chief Financial Officer (CFO) and the Advisory Committee.

You are invited to submit a proposal to furnish all of the labor, materials, and other related items required for the performance of a **Firm Fixed Price** contract resulting from this procurement. The resulting contract is anticipated to be from October 1, 2012 through September 30, 2015 plus 2 one-year option renewals. Funding is contingent on fiscal year availability.

PROPOSAL DUE DATE AND SUBMISSION INSTRUCTIONS

Complete proposals must be delivered to the District, in a sealed envelope, by mail or hand delivered to the address below by **2:00 p.m.** on **August 2, 2012**. Proposals received later than the above date and time may be rejected and returned to the proposer unopened. The only acceptable evidence to establish the time of receipt is the date/time stamp imprinted upon the proposal package by the receiving District employee on the 22nd Floor. Proposers using common carriers such as UPS, FedEx, etc., remain responsible for ensuring that the Contract Analyst has received the proposal, regardless of any signature obtained by the carrier.

Interested proposers are directed to submit:

- One (1) original “**scan ready**” hard copy of the Volume I – Technical Proposal and ten (10) copies on CD-ROMs. (Both the hard copy original and the CD-ROM copies must show all required signatures.) **Please refer to the Submittal Requirements for detailed specifications of the “scan ready” hard copy.**
- One (1) original hard copy of the Volume II – Certification Forms and four (4) copies on CD-ROM.
- One (1) original hard copy of the Volume III – Price Proposal and seven (7) copies on CD-ROMs.

All CD-ROMs must be labeled with the proposer’s name and the RFP number, and each submitted in a CD case or CD envelope. The contents of the CDs must be the exact replica of the original hard copy, and shall be free of formatting errors or file corruption, including all signatures, and all pages.

The original proposal shall be clearly labeled “original.” All price proposals shall be clearly labeled “Price Proposal.” The Price Proposal shall be separately sealed and under separate enclosure (including the copy on CD-ROM) from the technical proposal. Failure to comply may result in a rejected proposal.

Los Angeles Unified School District
Procurement
333 S. Beaudry Avenue, 22nd Floor, #22-209
Los Angeles, CA 90017
Attention: Anthony Silo, Contract Administration Analyst

GROUND RULES AND ASSUMPTIONS

The ground rules and assumptions for this procurement, incorporated herein are as follows:

1. **CONTRACT TYPE** - The contract type will be a **Firm Fixed Price**.
2. **PERIOD OF PERFORMANCE** - The period of performance is from October 1, 2012 through September 30, 2015 plus 2 one-year option renewals.
3. **NO OBLIGATION TO ENTER INTO CONTRACT** – The District reserves the right to reject a firm as non-responsive, regardless of the stage of the procurement process, If there is a failure to successfully negotiate price or fees, terms and conditions, or a failure of the firm to satisfy any of the final requirements necessary to do business with the District.
4. **MODIFICATIONS AND ALTERNATIVE PROPOSALS** - The proposer shall submit its basic proposal in strict conformity with the requirements of this RFP document. Proposers are cautioned to limit exceptions, conditions, limitations or new provisions in their proposal as such restrictions or new provisions may be determined sufficiently significant to cause the proposal’s rejection.
5. **ALTERNATE PROPOSALS** - In addition to submitting proposals that conform in every respect to the requirements of this RFP, proposers may also submit alternate proposals to this RFP as complete “separate” offers if the alternate proposals offer technical improvements or modifications that are to the overall benefit of the District. The District reserves the right to accept or reject any alternate proposal.

Oral, e-mailed, faxed, or telephonic proposals and/or modifications will not be considered. Alternative proposals will not be part of the evaluation process unless otherwise noted.

6. **PRE-AWARD AUDIT** - All Proposers during business with the DISTRICT are subject to a Pre-Award Audit. The District's Procurement Management Branch shall request that the Office of the Inspector General (OIG) perform a pre-award audit on ALL contracts valued at over \$5 million. The Contract Administration Branch may request a Pre-Award Audit for all contracts valued at \$5 million or less.
7. **EXPENSES** – Travel, if applicable shall be itemized to include the number of trips, the number of people traveling, the estimated cost of the transportation, and the per diem cost of each traveler. Travel costs shall be limited to costs consistent with District Travel Policy which is summarized in Attachment A.
8. **COSTS OF PROPOSING** - Any and all costs arising from this RFP process incurred by the proposer shall be borne by the proposer, without reimbursement by the District.
9. **COMMUNICATIONS WITH THE DISTRICT** - All communications with the District regarding this procurement shall be governed by the District's Contractor Code of Conduct as referenced herein as Attachment C.
10. **CONE OF SILENCE** – As described in the Contractor Code of Conduct, this procurement is under a "Cone of Silence." Except for inquiries made to the District's Ethics Office, all communications regarding this RFP between potential Proposers and the staff of the District and consultants engaged by the District shall be addressed only to the Contract Analyst identified in the Request for Proposal Letter. At no time PRIOR to the District's Public Posting of the Board Report shall Proposer(s) contact District officials or personnel regarding this RFP or any contract(s) to be awarded in response hereto. To do so may subject the Proposer to disqualification.
11. **SBE COMPLIANCE** - Proposers should use their best efforts to comply with the District's Small Business Enterprises (SBE) Utilization Program's 25% goal. Proposers are required to submit the SBE Utilization Report that is in Attachment D. See Attachment D for additional information regarding the District's SBE Utilization Program.

KEY EVENTS SCHEDULE

The anticipated schedule for completion of this procurement is shown below. The dates are subject to change.

Milestone	Date
RFP Release	July 20, 2012
Deadline for Final Written Questions	July 25, 2012
Proposal Due Date	August 2, 2012
Board Approval Date	September 11, 2012
Contract Start Date	October 1, 2012

PROPOSER QUESTIONS

All proposer questions raised PRIOR TO THE PROPOSAL DUE DATE of August 2, 2012, with the exception of Small Business Enterprise (SBE) issues shall be in writing and submitted online through the Vendor Registration Website at <https://psd.lausd.net/Vendors/VendorHome.aspx>. AFTER THE PROPOSAL DUE DATE, all communications shall be directed to the Contract Analyst listed below. Verbal inquires shall not be accepted.

Los Angeles Unified School District
Procurement
333 S. Beaudry Avenue, 22nd Floor, #22-209
Los Angeles, CA 90017
RFP No. 1095
Attention: Anthony Silo
Phone: 213-241-8721
E-mail: anthony.silo@lausd.net

Final questions regarding this Procurement must be received by the close of business on **July 25, 2012**. Questions shall be in writing and submitted online through the District's Vendor Website at <https://psd.lausd.net/Vendors/VendorHome.aspx>. If the proposer has more than five (5) questions, the proposer shall submit the questions in Word format document as an attachment and e-mail to the attention of the Contract Analyst at anthony.silo@lausd.net.

Los Angeles Unified School District

Anthony Silo

Anthony Silo
Contract Administration Analyst

LOS ANGELES UNIFIED SCHOOL DISTRICT

RFP NO.: 1095
INVESTMENT CONSULTING SERVICES ON 403(b), 457(b), & PARS

TABLE OF CONTENTS

<u>Title</u>	<u>Page Number</u>
SECTION I	
Evaluation Criteria.....	6
Proposal Submittal Requirements	9
Project Overview	13
Statement of Work (SOW) / Specifications	14
Instructions to Proposer	17
SECTION II – SUBMITTAL FORMS	
Proposal Letter/Certificate of Acceptance	26
Compliance with LAUSD Ethics & Integrity Standards	27
Insurance Requirements	34
Price Proposal and Instructions	35
SECTION III – ATTACHMENTS	
A: District Travel and Expenses Guidelines	40
B: District Terms and Conditions	43
C: Contractor Code of Conduct.....	55
D: Small Business Enterprise (SBE) Utilization Program	69
E. Lobbyist Registration	71

LOS ANGELES UNIFIED SCHOOL DISTRICT

RFP NO.: 1095
INVESTMENT CONSULTING SERVICES ON 403(b), 457(b), & PARS

SECTION I

EVALUATION CRITERIA

EVALUATION AND SELECTION

Any Contract resulting from this RFP shall be awarded to that responsible & responsive firm who offers a justifiably fair and reasonable price.

Proposals shall be evaluated in the following order:

PHASE I Evaluation – Responsiveness and Conflict of Interest Review: Proposals shall be evaluated for responsiveness to the requirements of the RFP and on the responsibility of the Proposer. A Proposal shall be considered responsive if it complies in all material respects to the requirements of the RFP document (e.g. certification forms such as Proposal Letter, Compliance with Ethics, Insurance, etc.). Refer to Instructions to Proposers IP-11, for the definition of responsibility. A Proposal not meeting the requirements may be rejected as being non-responsive and/or non-responsible. The District shall perform a responsiveness review to determine compliance to the RFP administrative requirements, Conflict of Interest as defined by Attachment C – Contractor Code of Conduct, the proposal submittal requirements, and Section II-B2, Compliance with LAUSD Ethics & Integrity Standards.

Phase II Evaluation - Minimum Qualification Review: The District shall perform a review of the minimum qualification requirements as defined herein and notify all disqualified Proposers. Proposers that are deficient in meeting the minimum qualifications at the time of Proposal submittal shall be deemed non-responsive to this RFP and no further consideration shall be granted.

PHASE III Evaluation – Technical Evaluation: Proposals that meet the Phase II Minimum Qualification Requirements shall be evaluated based on the Phase III evaluation criteria herein. A “competitive range” (short list) shall be established. At the option of the District, proposers with the highest rated written submissions (short list) may be invited to give a clarification interview with the District regarding proposed services. Evaluation of the clarification interview will be incorporated into the Phase III process. The District may also require a Proposer to submit written responses to questions regarding its proposal.

BASIS OF AWARD

Any Contract resulting from this RFP shall be awarded to the responsible & responsive firm whose proposal meets the requirements of the RFP and is the highest scored proposer after Phase III Evaluation. Further, the District reserves the right to reject a firm if there is a failure to negotiate the rates, terms and conditions.

PHASE I – RESPONSIVENESS AND CONFLICT OF INTEREST

Proposers shall be evaluated for responsiveness to the requirements of the RFP and for any conflict of interest. If conflicts of interest exist, the proposer shall be disqualified and no further consideration shall be granted.

PHASE II - MINIMUM QUALIFICATIONS

Proposers shall meet the minimum qualifications requirements at the time of proposal submittal. Proposers shall specify how compliance was achieved for each of the Minimum Qualifications requirements listed below and if applicable submit documentation for evidence of compliance.

Failure to provide information how compliance was achieved for each specific requirement shall be deemed non-responsive to this RFP and no further consideration shall be granted.

1. The firm must have a minimum of three (3) years of experience in evaluating retirement plan providers from the public sector.
2. The Lead Consultant must have an MA/MBA or Juris Doctorate/law degree with seven (7) years' experience working with 401(k), 403(b) and/or 457(b) plans.

PHASE III – TECHNICAL EVALUATION CRITERIA

The proposer shall be evaluated on the following criteria:	Points
A. Qualifications and Experience of Firm and Personnel.....	30 points
B. Capability of Performing Work.....	20 points
C. Availability.....	10 points
D. Price/Cost Proposal.....	40 points
Phase III Total Points:	100 points

TOTAL POSSIBLE POINTS.....100 points

Phase III TECHNICAL EVALUATION CRITERIA

A. Qualifications and Experience of Firm and Personnel (30 points maximum)

The Proposer's (firm) qualifications and experience shall be evaluated according to the following subcriteria listed below. Subcriteria are of equal importance.

1. Do the Lead Consultant and supporting staff have the appropriate education, credentials, skills, licenses, professional memberships, and working experience related to the requirements of the Statement of Work (SOW)? Does the firm have sufficient personnel and resources to be able to perform the SOW?
2. Do the firm's proposed key personnel have adequate experience in the 403b/457b deferred compensation plan laws and regulations at both the state and federal level? Do personnel have adequate experience in developing Request for Proposals and providing advice as Subject Matter experts?
3. Does the firm have professional and K12 institutional knowledge and experience of the local environment, including legal, financial, education codes and California

Insurance Code 770.3? Does the firm have experience concerning compliance and legislative matters pertaining to the deferred compensation plan?

B. Capability of Performing Work (20 points maximum)

The Proposer shall be evaluated on its organizational capacity and depth according to the following subcriteria listed below. Subcriteria are of equal importance.

1. Has the firm demonstrated successful results and capable contract performance on past projects similar to the work required by the District?
2. Does the firm have experience with large public sector 403(b), 457(b) and PARS plans?

C. Availability (10 points maximum)

The Proposer's work plan and project approach shall be evaluated according to the following subcriteria listed below. Subcriteria are of equal importance.

1. Does the firm have the willingness to be available to answer potential questions regarding issues related to the 403(b), 457(b) and PARS plan within 24 hours via phone or email?
2. Does the firm have the commitment to attend monthly meetings of the Retirement Investment Advisory (RIA) Committee? Does the firm have the ability to provide uninterrupted service should one or more members working on this account become unavailable?

D. Price/Cost (40 Points maximum)

The purpose of the price/cost evaluation is to "normalize" the price/cost submittals. This is accomplished by calculating the score for each proposal by using the formula below.

$$\frac{\text{Lowest Proposer's Price}}{\text{Proposer's Price}} \times 40\% = \text{Score}$$

END OF EVALUATION CRITERIA

LOS ANGELES UNIFIED SCHOOL DISTRICT

RFP NO.: 1095
INVESTMENT CONSULTING SERVICES ON 403(b), 457(b), & PARS

SECTION I (Continued)

PROPOSAL SUBMITTAL REQUIREMENTS

CONTENTS OF PROPOSAL

1.0 GENERAL FORMAT OF PROPOSAL AND SUBMITTAL INSTRUCTIONS

Proposer shall submit:

- One (1) original “**scan ready**” hard copy of the Volume I – Technical Proposal and ten (10) copies on CD-ROMs. (Both the hard copy original and the CD-ROM copies must show all required signatures.) **Please refer below for detailed specifications of the “scan ready” hard copy.**
- One (1) original hard copy of the Volume II – Certification Forms and four (4) copies on CD-ROM.
- One (1) original hard copy of the Volume III – Price Proposal and seven (7) copies on CD-ROMs.

The “scan-ready” document must be submitted according to the following specifications:

- a) Printed single-sided on white, 20 lb. (8-1/2” x 11”) paper, without any perforations, holes, folds or laminations. Use of 11” x 17” foldout sheets shall not be allowed.
- b) Typing shall be single-spaced and with a minimum font size of ten. Elaborate format is not necessary. Do not provide promotional or advertising information.
- c) NO tabs, dividers or other indexing markers may be attached or extend beyond the 8-1/2” x 11” dimension of the scan ready copy, nor should any pages be inserted into plastic covers; and
- d) the scan-ready submittal must be unbound without staples or fasteners affixed or penetrating the submittal (binder clips or similar clamps are acceptable).

All CD-ROMs must be labeled with the Proposer’s name and RFP number, and each submitted in a CD case or CD envelope. The contents of the CDs must be the exact replica of the original hard copy.

The original proposal shall be clearly labeled “original.” All price proposals shall be clearly labeled “Price Proposal.” The Price Proposal shall be separately sealed and under “separate” enclosure (to include CD-ROM) from the technical proposal. Failure to comply may result in a rejected proposal.

2.0 PROPOSAL CONTENT

The Proposal shall have the following components and shall be laid out in the format exactly as shown here:

VOLUME I

A. COVER LETTER

The cover letter shall not exceed 5 pages and shall be signed by an authorized representative of the proposing firm. The summary shall cover the following:

1. Briefly summarize your understanding of the requested services.
2. Discuss briefly the firm's specific role and present the firm's relevant qualifications for performing that role. Identify the name, address, affiliation, e-mail, telephone number and fax number of the key contact person(s) for both prime and sub-contractor, if any.
3. Proposer shall acknowledge acceptance of all terms and conditions of the District's Contract and insurance requirements unless otherwise noted. Exceptions cannot be taken to the RFP's Instructions to Proposers (IPs), Contractor Code of Conduct, SBE, Section II-B1 and II-B2 certifications.

If there are any exceptions, comments, and recommended modifications to the District's Sample Contract terms and conditions (Attachment A), these shall be submitted in a separate appendix to the Volume I submittal and must be in Microsoft Word file format.

Please use the following notation to propose specific changes to the District's terms and conditions:

- Red and underlined for inserted text
- ~~Red and strikethrough~~ for deleted text

Proposers are cautioned to limit exceptions, conditions, limitations or new provisions in their proposal as such restrictions and new provisions may be determined sufficiently significant to cause the proposal's rejection.

4. **Disclosure of Litigation:** Each Proposer (and each subcontractor/joint venture included in the Proposer's Proposal) shall include a complete disclosure of any civil litigation, settlement, arbitration, or proceeding to which it is a party and which is pending or was concluded within one year from the date of this RFP. THIS REQUIREMENT IS A CONTINUING DISCLOSURE REQUIREMENT. Any such litigation, settlement, arbitration, or other proceedings commencing after submission of a Proposal shall be disclosed in a written statement to the Contract Administration Analyst within 30 days of its occurrence. Details of settlements that are prevented from disclosure by the terms of the settlement may be annotated as such.
5. **Conflict of Interest:** Proposer shall fully disclose and describe in detail the relationship of their firm, parent company, if any, subsidiaries, and consultants that may provide services under the contract. Proposers shall also disclose any current or future business plans to sell investment products. Proposer shall submit a mitigation plan for any potential (real or apparent) conflict of interest; such conflicts include, but are not limited to:

- A. *Conducting business with or on behalf of LAUSD in a manner that would be reasonably known to create or lead to a perception of self-dealing*

B. Conducting work on behalf of another client on a matter that would be reasonably seen as in conflict with work performed for LAUSD.

The firm must be non-aligned to the District's current 403(b), 457(b) and PARS plan providers and its subsidiaries/consultants, and mutual fund companies so there will be no Conflict of Interest as defined by **Attachment C – Contractor Code of Conduct**. The 457(b) Deferred Compensation plan is currently administered by CalSTRS who is in partnership with TIAA-CREF to provide all record keeping services. The 403(b) plan is administered by TSA Consulting Group. The defined contribution plan in lieu of Social Security is administered by Public Agency Retirement Systems (PARS). The firm shall certify that it does not have any business/financial relationships or affiliations with the current plan providers, their subsidiaries and their consultants.

B. MINIMUM QUALIFICATIONS PACKAGE

Proposer shall specify how compliance was achieved for each of the Minimum Qualifications requirements listed and if applicable submit documentation for evidence of compliance.

Proposers that are deficient in meeting the minimum qualifications shall be deemed non-responsive to this RFP and no further consideration shall be granted.

C. QUALIFICATIONS AND EXPERIENCE OF FIRM AND PERSONNEL

The Proposer shall submit a Qualification Statement by addressing the firm's record of successful experience and technical capabilities to perform the services required by the Statement of Work. The qualification statement shall address the following:

1. Discuss your firm's qualifications and experience in providing the requested services as delineated in the Statement of Work (SOW). Provide a brief history of the company, including date firm was established, financial status, and the present organizational structure of the firm describing the management organization and this project's coordination structure. Include the size of the firm, the number of employees, and the number of years the firm has provided the requested services. Proposer shall also identify the Lead Consultant.
2. Provide a resume of each member of the proposed key personnel. Describe specifically the proposed personnel's experience in the 403b/457b. Provide an organizational chart and define their roles and responsibilities. Describe their experience in developing Request for Proposals and providing advice as Subject Matter Experts.
3. Discuss your firm's professional and K12 institutional knowledge and experience of the local environment, including legal, financial, education codes and California Insurance Code 770.3 and describe how they are likely to affect the District's 403b/457b plans. Provide your background and experience concerning compliance and legislative matters pertaining to the deferred compensation plan.

D. CAPABILITY OF PERFORMING WORK

1. Discuss at least three (3) projects that are either on-going or have been performed within the last five (5) years, that demonstrate the capability of the firm

to perform work similar in scope required by the District. List the most current projects first.

2. Provide two samples of Program Administration Reports that you have prepared and submitted for two different clients with comparable 457b plan preferably from large public sectors.
3. Provide at least three (3) references that the Proposer has provided the type of services as requested in the SOW. References shall be verified by the District. Provide the contact person, job title, phone number and email address.

E. AVAILABILITY

1. Discuss the firm's capacity by providing the percentage of firm's resources such as Lead Consultant and supporting staff's time that is currently devoted to on-going projects and backlog. Discuss plan for availability at short notice to answer questions and attend meetings regarding issues related to the 403/b/457b/PARS plan.
2. Describe your commitment to attend monthly meetings of the RIA Committee and the ability to provide uninterrupted service.

VOLUME II – CERTIFICATION FORMS

1. Proposer's Letter/Certification of Acceptance – Section II-B1 ([page 26](#))
2. Certification of Compliance with LAUSD Ethics and Integrity Standards – Section II-B2 ([page 27](#))
3. Insurance Requirements – Section II-B3 (evidence that proposer has or can obtain prior to contract award) ([page 34](#))
4. Small Business Enterprise Utilization Report – Attachment D ([page 70](#))

VOLUME III – PRICE PROPOSAL

The proposer shall submit a Firm Fixed Price (FFP) Price Proposal to perform the services as specified in the Statement of Work. The proposer shall complete the [Form PSD-1 on page 38](#) for the services in its entirety and include it with the proposer's submittals. Proposer shall propose on all phases of the Statement of Work. Price proposals shall be evaluated on total cost/price including the optional services. Incomplete price proposals may cause the proposal to be deemed non-responsive.

The price proposal shall provide itemized cost component information for each element of service defined in the Statement of Work. Proposers shall provide the best competitive prices on initial submission. Pricing shall include ALL cost data and mark-up rates necessary to provide requested services.

All price proposals must be clearly labeled "Price Proposal." The price proposal shall be separately sealed and under separate enclosure. Failure to comply may result in a rejected proposal.

The Price Proposal, when applicable, shall provide a detailed breakdown of the hours estimated to be required for the performance of all services identified in the SOW.

END OF PROPOSAL SUBMITTAL REQUIREMENTS

LOS ANGELES UNIFIED SCHOOL DISTRICT

RFP NO.: 1095
INVESTMENT CONSULTING SERVICES ON 403(b), 457(b), & PARS

SECTION I (Continued)

PROJECT OVERVIEW

BACKGROUND

The Los Angeles Unified School District (LAUSD) is the second largest school district in the United States and it employs approximately 100,000 full-time and part-time employees. LAUSD currently offers its employees 2 types of *voluntary* retirement savings plans available to all employees and it provides a *mandatory* retirement savings plan for employees who are not eligible for CalPERS or CalSTRS, this plan is the Public Agency Retirement Services (PARS) plan. The PARS plan is a defined contribution plan in lieu of Social Security and the plan satisfies federal requirements under Internal Revenue Code Section 3121(b)(7)(F). The voluntary plans are set up under Sections 403(b) and 457(b) of the Internal Revenue Code ("IRC").

The Division of Risk Management and Insurance Services is currently seeking proposals from qualified consulting firms to be the District's 403(b), 457(b) and PARS Plan investment consultant. The existing investment consultant's contract is set to expire on September 30, 2012.

The investment consulting company shall provide a vast array of services to the District for the 457(b) Deferred Compensation plan, the 403(b) plan and the PARS plan. The services of the investment consulting company include providing guidance/support, ensuring compliance and advice to the Chief Financial Officer, the Chief Risk Officer, the Retirement Investment Advisory (RIA) Committee and Benefits Administration staff on compliance matters relating to IRS regulations and on fund performance. The Retirement Investment Advisory (RIA) Committee, which consists of District staff and union representatives, was established to advise the Chief Financial Officer on matters pertaining to the administration of the plans.

The 457(b) Deferred Compensation plan is currently administered by CalSTRS who is in partnership with TIAA-CREF to provide all record keeping services. The 403(b) plan is administered by TSA Consulting Group. The alternate social security plan is administered by PARS. The PARS plan is a defined contribution plan; eligible employees contribute 3.75% of salary into the plan and the District matches another 3.75% of salary; and all account balances are 100% vested at all times. Currently, there are approximately 24,000 employees actively contributing to the 403(b) plan and 2,700 employees contributing to the 457(b) plan. The total combined contributions for 2011 were about \$146,678,225. For PARS in 2011, there were 66,251 participants and \$126,332,173 in assets.

LOS ANGELES UNIFIED SCHOOL DISTRICT

RFP NO.: 1095
INVESTMENT CONSULTING SERVICES ON 403(b), 457(b), & PARS

SECTION I (Continued)

STATEMENT OF WORK

1.0 REQUIREMENTS

1.1 The contractor shall act as an advisor to the Chief Financial Officer (CFO), Chief Risk Officer (CRO) and the Retirement Investment Advisory (RIA) Committee.

Areas of counsel shall include:

- Implementation or Revision of the 457(b) Investment Policy, all Plan Documents, Committee bylaws and other related plan documents.
- Analysis of the capabilities of 457(b) Plan investment managers, both for currently offered plans and potential replacements including the firms
- Personnel/Management Team
- Investment philosophies
- Processes
- Risk, liability and fiduciary issues
- Performance relative to peers
- Advice on management structure
 - Recommendations of replacement funds for under performers
 - Analysis of educational outreach efforts to employees
 - Keeping the RIA Committee current on pending, new or relevant state and federal legislation

1.2 The contractor shall not offer or sell investment products directly or indirectly to the District's participants.

1.3 The contractor shall provide education and training to the RIA Committee on topics and issues selected by and relevant to the Committee at no additional cost.

1.4 The Contractor shall provide educational seminars/presentation twice annually to eligible employees at no additional cost.

1.5 The contractor shall provide access to relevant available research and publications produced by the contractor's firm.

1.6 The contractor shall analyze the information/records obtained from the 457(b) TPA (currently CalSTRS) and provide quarterly reports on its findings to the CFO and RIA Committee. This information is to include (but not be limited to):

- Quarterly full spectrum performance of current 457(b) funds including analysis by:
 - a. Manager

- b. Asset class
- c. Total fund
- d. Comparison to fund universe peers
 - The distribution of employee contributions into the various program funds
 - Evaluation of 457(b) vendor's performance

1.7 The contractor shall prepare analyses or perform requests by the CFO and RIA Committee that can include but is not limited to:

- Definition or refinement of goals and objectives
- Monitor portfolio risk
- Assist with vendor criteria requirements
- Implementation of new District products (i.e. 403(b) Roth IRA)
- Implementation of any plan changes
- The contractor shall assist LAUSD with IRS Correction Procedures and Audits.
- Provide guidance and recommendations on regulations under IRS Code Section 3121(b)(7)(IF) for PARS plan
- Develop and provide recommendations on investment options and asset allocation for the PARS plan for review by the CFO and RIA Committee.
- Other objectives/purposes deemed valuable by the CFO or RIA Committee

1.8 Contractor shall assist in the development of Request for Proposal (RFP) relating to the 403(b), 457(b) and PARS plans as needed. (RFPs are done once every 5 years.) The RFP development shall include but not be limited to the following tasks:

- Create specifications
- Develop contact list of potential plan providers/vendors
- Develop and provide key requirements and objectives for the statement of work and evaluation criteria including (but not limited to) fund competitiveness, products, basis points, fees, and services.
- Assist and/or prepare written responses to vendor questions and submit to District for approval
- Review and analyze proposals for responsiveness
- Attend Source Selection Committee (SSC) meetings as Subject Matter Experts to provide assistance in RFP selection.
- Meet with the SSC to present its proposal analysis.
- Oversee and provide guidance to the District when signing of the forthcoming contractual documents (i.e. legal).
- Develop and prepare data for procurement report for submission to the Board of Education that will include:
 - a) The RFP process undertaken;
 - b) Method of plan provider selection;
 - c) Strengths and weaknesses of finalists
 - Assist the District with contract review and transition planning.

2.0 DELIVERABLES

The contractor shall attend monthly RIA Committee meetings.

2.1 Meetings/Seminars:

2.1.1 The contractor shall attend the monthly RIA Committee meetings.

2.1.2 The contractor shall attend the 2 annual seminars/presentation.

2.2 Reports:

2.2.1 The contractor shall submit a quarterly full spectrum 457(b) fund performance report. The current funds performance analysis shall be by manager, asset class, total fund and comparison to fund universe peers. The quarterly report shall be sent electronically to the RIA Committee members and other attendees. The quarterly report printed copies shall be delivered to the Benefits Administration offices five (5) days prior to the monthly meeting

2.2.2 The contractor shall submit semi-annual program administration report or as requested based on analysis of information collected from the 457(b) Plan Provider (currently CalSTRS/TIAA-CREF) to the CFO and RIA Committee. The report shall contain the following information but not limited to:

- The distribution of employee contributions into the various program funds and other criteria as requested
- Evaluation of 457(b) program vendor's performance
- Analysis of educational outreach efforts to employees
- Review of the revenue sharing and fee reports provider by the Third Party Administrator (TPA) for reasonableness and appropriateness

2.2.3 The contractor shall obtain current Department of Labor (DOL) data from current approved 403(b) vendors and develop 403(b) benchmarks. This shall be submitted yearly by June 30th. Assist the District with meeting expected duties of a Plan Sponsor (such as fee disclosures, fiduciary liabilities, and performing in parallel with ERISA guidelines)

END OF STATEMENT OF WORK

SECTION I (Continued)

INSTRUCTIONS TO PROPOSERS

<u>INST. NO.</u>	<u>DESCRIPTION</u>	<u>PAGE NO.</u>
IP-1	EXAMINATION OF RFP DOCUMENTS.....	18
IP-2	INTERPRETATION OF RFP DOCUMENTS.....	18
IP-3	PREPARATION OF PROPOSAL.....	18
IP-4	MODIFICATION AND ALTERNATIVE PROPOSALS.....	18
IP-5	PRE-PROPOSAL CONFERENCE.....	19
IP-6	ADDENDA.....	19
IP-7	SIGNING OF PROPOSAL AND AUTHORIZATION TO NEGOTIATE...	19
IP-8	WITHDRAWAL OF PROPOSALS.....	19
IP-9	INSURANCE REQUIREMENTS.....	19
IP-10	SUBMISSION OF PROPOSAL.....	20
IP-11	PROPOSAL EVALUATION PROCESS.....	20
IP-12	DEBRIEFING.....	20
IP-13	PUBLIC RECORDS ACT.....	20
IP-14	DISTRICT RIGHTS.....	21
IP-15	DISTRICT OWNERSHIP OF PRODUCTS.....	21
IP-16	COMMUNICATION WITH THE DISTRICT.....	22
IP-17	DISQUALIFICATION OF PROPOSERS.....	22
IP-18	EXECUTION OF CONTRACT.....	22
IP-19	FINGERPRINTING.....	22
IP-20	FILING OF PROTESTS.....	22
IP-21	SMALL BUSINESS ENTERPRISE (SBE) UTILIZATION PROGRAM....	23
IP-22	LAUSD'S ETHICS STANDARDS.....	23
IP-23	MANDATORY LOBBYING DISCLOSURE.....	24
IP-24	PRE-AWARD AUDITS.....	24

LOS ANGELES UNIFIED SCHOOL DISTRICT

SECTION I (Continued)

INSTRUCTIONS TO PROPOSERS

To be considered by the District for a contract award, proposals shall be prepared and submitted in accordance with these Instructions to Proposers.

IP-1 EXAMINATION OF RFP DOCUMENTS

The proposer shall be solely responsible for examining the enclosed RFP Documents, including any addenda issued during the Proposal period and for informing itself with respect to any and all conditions that may in any way affect the amount or nature of the proposal or the performance of the services in the event the proposer is selected. No relief for error or omission will be given.

IP-2 INTERPRETATION OF RFP DOCUMENTS

Prospective proposers with questions regarding interpretation or clarification of the RFP document shall put all questions in writing and submit them via to the District's Vendor Registration website (<https://psd.lausd.net/Vendors/VendorHome.aspx>). The District's responses to requests for interpretation or clarification which require a change in the Statement of Work or in the RFP requirements will be made in writing via RFP addendum.

The proposer must acknowledge receipt of any and all addenda in the proposer's Proposal Letter. The District shall not be bound by, and the proposer shall not rely on, any oral interpretation or clarification of this RFP document.

IP-3 PREPARATION OF PROPOSAL

Each proposal must be formatted in accordance with the requirements specified in Proposal Submittal Requirements. Accordingly, each proposal must include the Proposal Letter/Certificate of Acceptance provided with the RFP documents. The Proposal Letter/Certificate of Acceptance and any other certifications or forms that require a signature for the proposer shall be executed by an authorized signatory as described in IP-7, the instructions entitled "SIGNING OF PROPOSAL AND AUTHORIZATION TO NEGOTIATE." All Proposals shall be prepared by and at the expense of the proposer.

IP-4 MODIFICATIONS AND ALTERNATIVE PROPOSALS

The proposer shall submit its basic proposal in strict conformity with the requirements of this RFP document. Proposers are cautioned to limit exceptions, conditions, limitations or new provisions in their proposal as such restrictions and new provisions may be determined sufficiently significant to cause the proposal's rejection.

In addition to submitting proposals that conform in every respect to the requirements of this RFP, proposers **may** also submit alternate proposals in response to this RFP as complete **separate** offers, if the alternate proposals offer technical improvements or modifications that are to the overall benefit of the District. The District reserves the right

to accept or reject any alternate proposal. Oral, e-mailed, faxed, or telephonic proposals and/or modifications will not be considered.

IP-5 PRE-PROPOSAL CONFERENCE

The District may conduct a pre-proposal conference. In that event, proposers are invited to attend. Unless specifically stated in the RFP, attendance is not mandatory to be considered for award of a contract. Should the District elect not to hold a pre-proposal conference, its decision shall not relieve the potential proposer of the proposer's sole responsibility for informing itself with respect to any and all conditions as required by Instruction to Proposers IP-1, entitled EXAMINATION OF RFP DOCUMENTS.

IP-6 ADDENDA

The District reserves the right to revise the RFP Documents prior to the proposal submittal due date. Such revisions, if any, will be made by addenda to this RFP. Notice of the online availability of such addenda will be furnished, without additional charge, to all those who have downloaded this RFP.

If an addendum includes significant changes, the proposal submittal due date may be postponed by the number of days that the District considers appropriate for Proposers to revise their proposals. The announcement of a new due date, if any, will be included in the addendum. In any event, the last addendum will be issued no later than five (5) working days prior to the proposal submittal due date.

Proposers shall acknowledge receipt of all addenda to the RFP documents in the proposer's Proposal Letter. Failure to acknowledge receipt of all addenda may render the proposal non-responsive.

IP-7 SIGNING OF PROPOSAL AND AUTHORIZATION TO NEGOTIATE

All proposals submitted shall be executed by the proposer or by its authorized representative. In addition, the proposer must identify those persons authorized to negotiate on its behalf with the District in connection with this RFP.

IP-8 WITHDRAWAL OF PROPOSALS

A proposal may be withdrawn by the proposer by means of a written request signed by the proposer or its properly authorized representative. Such written request shall be delivered to the Contract Analyst identified in the Request for Proposal Letter prior to the due date and time for submittal of proposals.

IP-9 INSURANCE REQUIREMENTS

As part of its proposal, the proposer shall provide the District with satisfactory evidence of insurance coverage as indicated in the RFP document, and shall confirm that such coverage is in full force by providing properly executed certificates of insurance. Alternatively, if the proposer will obtain the required insurance coverages prior to the District's issuance of the executed contract, a letter from the proposer's insurance agent or broker may be used to demonstrate satisfactory intent to provide coverage. However, properly executed certificates of insurance indicating that the

required coverages are in full force must then be provided to the District prior to the proposer's receipt of a fully executed contract.

IP-10 SUBMISSION OF PROPOSAL

Each proposal must be received by the District at the address shown on the Request for Proposal Letter at or before the due date and time shown in that letter. It is the Proposer's sole responsibility to ensure that its proposal is received as stipulated. The District may leave unopened any proposal received after the date and time for receipt of proposals. Any such unopened proposal may be returned to the proposer.

IP-11 PROPOSAL EVALUATION PROCESS

The proposal evaluation period will close upon the District's completion of its review and evaluation of proposals received. The District shall not give notice to the proposers of the close of the proposal evaluation process. A proposal not meeting the requirements set forth in this RFP may be rejected as being non-responsive and/or as reflecting a proposer who is non-responsible.

All proposals shall be evaluated for responsiveness to the requirements of the RFP and to the responsibility of the proposer. A proposal shall be considered responsive if it complies in all material respects to the requirements of the RFP documents.

Responsibility is defined as the apparent ability of the proposer to meet and successfully complete the requirements of the contract that is to result from the procurement. Responsibility includes consideration of a proposer's trustworthiness, the quality of past performance, financial ability, and fitness and capacity to do the proposed work in a satisfactory manner. Proposers may be required to present further evidence that they have successfully performed similar work of comparable magnitude or provide other proof satisfactory to the District that they are competent to successfully perform the work.

In addition, the District reserves the right to request payment and performance bonds as the District deems appropriate.

IP-12 DEBRIEFINGS

Debriefing requests must be received by the District within ten (10) calendar days after the District's issuance of the Notice of Intent to Award. No debriefing shall take place until after the execution of the contracts that result from this procurement. Requests for debriefings must be submitted in writing. Debriefings shall be confined to a discussion of the proposer's proposal and that proposal's advantages and disadvantages in relation to the requirements of the RFP. The debriefing shall not include point-by-point comparisons of the debriefed proposer's proposal with those of other proposers. Moreover, the debriefing shall not reveal any information prohibited from disclosure.

IP-13 PUBLIC RECORDS ACT

Responses to this RFP shall be subject to the provisions of the California Public Records Act.

Those elements in each Proposal that are trade secrets as that term is defined in Civil Code section 3426.1(d) or otherwise exempt by law from disclosure and that are prominently marked as "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY" may not be subject to disclosure. However, it is incumbent on the proposer to assert any rights to confidentiality and to seek and obtain a court order prohibiting the release of such information. Under no circumstances will the District be responsible or liable to the proposer or any other party for the disclosure of any such labeled information, whether the disclosure is required by law or a court order or occurs through inadvertence, mistake, or negligence on the part of the District or its officers, employees, and/or contractors.

The proposer, at its sole expense and risk, shall be responsible for prosecuting or defending any action concerning the information contained in the proposer's proposal and shall hold the District harmless from all costs and expenses, including attorneys' fees, in connection with such action.

IP-14 DISTRICT RIGHTS

The District may investigate the qualifications of any proposer under consideration, require confirmation of information furnished by a proposer, and require additional evidence of qualifications to perform the services described in this RFP. Furthermore, the District reserves the right to:

1. Reject any or all of the Proposals,
2. Issue subsequent RFPs for the same statement of work,
3. Cancel the entire RFP,
4. Remedy errors in the RFP,;
5. Reduce the scope of work if in the best interest and at the sole discretion of the District;
6. Appoint evaluation committees to review proposals;
7. Seek the assistance of technical experts to review proposals;
8. Approve or disapprove the use of particular subcontractors and suppliers;
9. Establish a short list of proposers eligible for discussions, clarifications or interviews after review of written proposals;
10. Negotiate with any, all, or none of the proposers;
11. Solicit best and final offers from all, some or none of the proposers;
12. Award a contract to one or more (or none) of the proposers;
13. Accept other than the lowest priced proposal;
14. Waive informalities and irregularities in proposals;
15. Award a contract without discussions or negotiations;
16. Disqualify proposers upon evidence of collusion with intent to defraud or other illegal practices on the part of the proposers;

This RFP does not commit the District to enter into a contract nor does it obligate the District to pay for any costs incurred in the preparation and submission of proposals or in anticipation of a contract.

IP-15 DISTRICT OWNERSHIP OF PRODUCTS

Excluding licensed software and other mutually agreed upon products, all deliverables and products developed and delivered in association with any contract awarded as a result of this RFP shall be the property of and belong solely to the District.

IP-16 COMMUNICATIONS WITH THE DISTRICT

All communications shall be in writing. All communications regarding this RFP between potential proposers and the staff of the District (including District consultants) shall be addressed only to the Contract Analyst identified in the Request for Proposal Letter, except for proposer questions submitted prior to the proposal due date and inquiries of the District's Ethics Office.

At no time prior to the District's Notice of Award shall proposer(s) contact other District officials or personnel regarding this RFP or any contract(s) to be awarded in response hereto. To do so may subject the proposer to disqualification.

IP-17 DISQUALIFICATION OF PROPOSERS

Contractors, subcontractors or suppliers that do not comply with all requirements associated with the RFP documents may be found non-responsive.

Any person, firm, corporation, joint venture, partnership, or other interested party that has been compensated by the District or a by a contractor engaged by the District for assistance in preparing the RFP documents and/or any cost estimate related to this procurement shall be considered to have gained an unfair competitive advantage in proposing and shall be precluded (unless the District obtains a waiver) from submitting a proposal in response to this RFP.

After the RFP is issued, any person, firm, corporation, joint venture/partnership, or other interested party that has discussions regarding this RFP with anyone other than the Contract Analyst may be considered to have gained an unfair competitive advantage. Said interested person may be disqualified from participating in this RFP process. Potential proposers shall adhere to current District policy governing the conduct of all contractors of the District. The current District Contractor Code of Conduct can be found at the District's website: <http://ethics.lausd.net>.

IP-18 EXECUTION OF CONTRACT

The proposer to whom an award is made shall execute the contract within seven (7) calendar days after receiving a Notice of Intent to Award unless that timeframe requirement is waived by the District. Under no circumstances shall a contractor be entitled to payment from the District for any work begun prior to there being a fully-executed contract in place. The District may require appropriate evidence that the persons executing a contract for the proposer are duly authorized to do so.

IP-19 FINGERPRINTING

If the nature of the work is such that the proposer and its staff will have contact with children on the District's school sites, that proposer will be required to comply with the fingerprinting requirements of California Education Code Section 45125.1 and as detailed in the LAUSD contract. In addition, to the extent known at the time of the proposal submittal, the proposer must include with the proposer's proposal **a list** of the names of staff members who may have contact with pupils in the course of the proposer's performance of the services that are the subject of this RFP.

IP-20 FILING OF PROTESTS FOR NEGOTIATED PROCUREMENTS

All District procurements shall be conducted in a manner which assures that all prospective contractors are afforded fair and equal consideration and the award of District contracts preserves and protects the integrity of the procurement process. To that end, any interested party who desires to raise concerns regarding a District award

shall have the right to have its complaint considered and resolved administratively by the District in an expeditious manner. "Interested party," as used herein, means an actual or prospective offeror whose direct economic interest would be affected by the award of a contract or by the failure to award a contract.

All protests shall be filed, handled, and resolved in a manner consistent with the District's protest procedures. The District will respond to each substantive issue raised in the protest. Protests relating to the content of this Request for Proposal document must be filed within ten (10) calendar days after the issuance of the RFP document.

Protests relating to a recommendation for contract award must be filed by an "interested party" within five (5) business days after release to proposing firms of the Notice of Intent to Award letter.

All protests shall be filed in writing with the District's Chief Procurement Officer, or designee, Los Angeles Unified School District, 333 South Beaudry Avenue, 28th Floor, Los Angeles CA 90017. **No other location shall be acceptable.** The protest shall, at a minimum, contain the following:

- The name and address of the interested party and its relationship to the procurement;
- Identification of the proposed procurement or contract;
- Substantive description of the nature of the protest;
- All documentation supporting the allegations of the protest;
- Statement of the specific relief requested;
- Identification of the provision(s) of the solicitation, regulations, or laws upon which the protest is based; and
- Signature of an authorized executive with the authority to bind the company.

The Chief Procurement Officer, or designee shall, make a determination on the protest normally within (10) working days after its receipt. The Chief Procurement Officer, or designee, has the authority to make a final determination and the decision shall constitute the protestor's final administrative remedy.

IP-21 SMALL BUSINESS ENTERPRISE (SBE) UTILIZATION PROGRAM

Firms submitting proposals for this RFP shall be responsible for the submission of plans to utilize SBE firms as part of their proposal response per the 25% SBE goal established by the District's Board of Education.

SBE credit may be gained from the utilization of SBE firms in either prime or subcontracting capacities.

Responding firms will detail, per SBE Utilization Reports, the percentage or amount of any proposal amount to be assigned to SBE firms.

For further details, please see Attachment D - Small Business Enterprise (SBE) Utilization Program.

IP-22 LAUSD'S ETHICS STANDARDS

The District's Contractor Code of Conduct, included as Attachment C, was adopted to enhance public trust and confidence in the integrity of the District's decision-making process, and sets forth the ethical standards and requirements that all contractors and their representatives are expected to adhere to in their dealings with or on behalf of the District.

Contractors are responsible for ensuring that all their representatives understand and comply with the duties and requirements outlined in the Code and to ensure that their behavior, decisions, and actions demonstrate the letter and spirit of this Code. Contractors are encouraged to use training resources made available by the District's Ethics Office and are expected to proactively manage any potential ethics concerns that may arise in the course of doing business with the District.

IP-23 MANDATORY LOBBYING DISCLOSURE

To promote transparency and maintain a fair and open playing field, the District's Board of Education enacted an updated Lobbying Disclosure Code in 2006. The Code applies to vendors, contractors, consultants, and other outside organizations that seek to influence District decisions. If you or your organization is seeking to influence a purchasing, policy, site selection or any other District decision – you may be required to register under the Lobbying Disclosure Code.

Please note that lobbying activities are defined broadly and include sales and marketing efforts directed towards District employees. To learn about the specific criteria that trigger the need for organizations and individuals to register, visit the Ethics Office website at: www.lausd.net/ethics (click on "Lobbying Disclosure") or call the Ethics Office at: 213-241-3330 before your organization begins any efforts to promote products or services at LAUSD.

IP-24 PRE-AWARD AUDITS

1. Definition. A Pre-Award Audit, conducted by the Office of the Inspector General (OIG), examines the reasonableness of a contractor's cost proposal. It may also include an examination of the contractor's internal controls, accounting and billing systems, and financial capabilities.

2. All Proposers doing business with the District is subject to a Pre-Award Audit. The Contract Administration Branch shall request that the OIG perform a Pre-Award Audit on all contracts valued at over \$5 million. Contract Administration Branch may request a Pre-Award Audit for contracts valued at \$5 million or less

END OF INSTRUCTIONS TO PROPOSERS

END OF SECTION I

**SECTION II -
SUBMITTAL FORMS**

GENERAL INSTRUCTIONS

Proposals should adhere to the following requirements for completing the Submittal Forms:

- Submittal Forms are to be completed in accordance with the directions thereon and the Instructions to Proposers.
- All required explanatory narratives and supplementary data are to be included with the Submittal Forms as indicated.
- Identify the proposer where indicated on each Submittal Form.
- Unless otherwise specified, Submittal Forms requiring signature(s) must be executed by the person who signs the Proposal Letter.
- Use of black ink and/or typewritten entries is preferred on the Submittal Forms and all additionally requested information.

Failure to comply with any of the above requirements may render the proposal non-responsive.

LOS ANGELES UNIFIED SCHOOL DISTRICT

SECTION II - CERTIFICATIONS

II-B1 - PROPOSAL LETTER/CERTIFICATE OF ACCEPTANCE

PROPOSER _____
D-U-N-S Number (if applicable) _____

In response to the **Request for Proposal (RFP) No. 1095**, we the undersigned hereby declare that we have carefully read and examined the RFP documents, acknowledge receipt of Addendum No(s). _____, and hereby propose to perform the Statement of Work as required in the RFP.

The undersigned acknowledges that any contract that results from the undersigned's proposal need not be exclusive. The District expressly reserves the right to contract for the performance of services such as those described herein through other contractors.

The undersigned agrees to perform the Statement of Work at the costs indicated in its Price Proposal if its proposal is accepted within **120** days from the date specified in the RFP for receipt of proposals.

The undersigned has reviewed the lobbyist registration program information included in the RFP (Attachment E).

The undersigned has reviewed the sample contract terms and conditions included in the RFP documents and agrees to accept all such terms and conditions unless otherwise noted in the proposal response. If recommended for contract award, the undersigned agrees to execute a contract that will be prepared by the District for execution, within **7** calendar days following the undersigned receipt from the District of a Notification of Intent to Award. The District will fully execute the contract subject to resolution of protest filings, if any, and approval by the District's Board of Education, if required.

The undersigned represents that the following person is authorized to negotiate on its behalf with the District in connection with this RFP:

(Name) (Title) (Phone)
Email Address: _____

The undersigned certifies that it has examined and is fully familiar with all of the provisions of the RFP documents and associated addenda. The undersigned hereby agrees that the District will not be responsible for any errors or omissions in these RFP documents and addenda.

BY:

(Signature) (Email)

(Type or Print Name) (Phone)

(Title) (Fax)

(Address)

NAME OF ORGANIZATION:	LAUSD VENDOR ID#:	LAUSD VENDOR SINCE:
-----------------------	-------------------	---------------------

LOS ANGELES UNIFIED SCHOOL DISTRICT
Section II – Certifications
II-B2 - Compliance with LAUSD Ethics and Integrity Standards

Every Contractor and its Representatives must abide by LAUSD’s Contractor Code of Conduct. A “Contractor” is any individual, organization, corporation, sole proprietorship, partnership, nonprofit, joint venture, association, or any combination thereof that is pursuing or conducting business with and/or on behalf of LAUSD, including, without limitation, consultants, suppliers, manufacturers, and any other vendors, bidders or proposers. A Contractor’s “Representative” is broadly defined to include any subcontractor, employee, agent, or any other entity acting on a Contractor’s behalf.

If a Contractor or its Representative is not knowledgeable about the necessary ethical requirements for establishing a business relationship with LAUSD, he or she shall visit the LAUSD Ethics Office website at www.lausd.net/ethics, or refer any questions to the designated contracting official. Failure to meet LAUSD’s ethics standards and requirements could result in sanctions including, but not limited to, voidance of any current or future contracts. LAUSD reserves the right to disqualify any bid or proposal as non-responsive, if this certification is not submitted in whole by the deadline required.

1. ETHICS AGREEMENT

I, THE UNDERSIGNED AFFIRM, UNDER PENALTY OF PERJURY BY THE LAWS OF THE STATE OF CALIFORNIA, THAT I AM AUTHORIZED, AS THE SENIOR EXECUTIVE RESPONSIBLE FOR MY ORGANIZATION’S ETHICAL CONDUCT, TO EXECUTE THIS CERTIFICATION ON BEHALF OF MY ORGANIZATION AND OUR REPRESENTATIVES* AND TO ENSURE THAT EACH AND EVERY REPRESENTATIVE ABIDES BY LAUSD’S ETHICS AND INTEGRITY STANDARDS IN ACCORDANCE WITH LAUSD’S CONTRACTOR CODE OF CONDUCT WHICH I HAVE REVIEWED IN FULL. I DECLARE THAT ALL REPRESENTATIONS MADE IN THIS CERTIFICATION ARE TRUE, CORRECT AND IN GOOD FAITH, AND I COMMIT TO PROVIDING AN UPDATED FORM WITHIN 10 BUSINESS DAYS WHENEVER THERE IS A MATERIAL CHANGE TO THE INFORMATION I HAVE PROVIDED DURING THE TERM OF OUR CONTRACT WITH LAUSD.

* You will need to attach a list of all known representatives who will conduct LAUSD work on your behalf (see Section 7).

SENIOR EXECUTIVE RESPONSIBLE FOR YOUR ORGANIZATION’S ETHICS AND INTEGRITY:			
NAME OF RESPONSIBLE SENIOR OFFICER	POSITION TITLE	PHONE NUMBER	
SIGNATURE OF RESPONSIBLE SENIOR OFFICER	DATE	E-MAIL ADDRESS	

2. ETHICAL MANAGEMENT (PLEASE COMPLETE EACH LINE BELOW):

A.	MY ORGANIZATION TAKES RESPONSIBILITY FOR ENSURING THAT EACH OF OUR REPRESENTATIVES, REGARDLESS OF POSITION, UNDERSTANDS AND COMPLIES WITH THE DUTIES AND REQUIREMENTS OUTLINED IN LAUSD'S CONTRACTOR CODE OF CONDUCT AND FOR ENSURING THAT WE ADHERE TO THE HIGHEST STANDARDS OF HONESTY AND INTEGRITY IN ALL OUR DEALINGS WITH AND/OR ON BEHALF OF LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
B.	MY ORGANIZATION HAS AN EFFECTIVE MANAGEMENT PROCESS IN PLACE TO ENSURE THAT THE BEHAVIOR, DECISIONS, AND ACTIONS OF OUR REPRESENTATIVES DEMONSTRATE THE LETTER AND SPIRIT OF LAUSD'S ETHICS AND INTEGRITY STANDARDS IN <u>ALL</u> PHASES OF ANY RELATIONSHIP WITH LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
C.	DESCRIBE BRIEFLY THE SCOPE OF YOUR ORGANIZATION'S EFFORTS TO MANAGE FOR AND ASSURE ETHICAL CONDUCT, ATTACH AN ADDITIONAL SHEET OF PAPER IF NECESSARY:		
D.	BY INITIALING HERE, I CERTIFY THAT MY ORGANIZATION AND OUR REPRESENTATIVES WILL EXERCISE CAUTION AT ALL TIMES TO ENSURE THAT OUR CONDUCT AVOIDS EVEN THE APPEARANCE OF IMPROPRIETY OR MISREPRESENTATION. WE WILL BE PROACTIVE IN ASKING QUESTIONS AND SEEK FORMAL GUIDANCE FROM LAUSD WHENEVER THERE IS A DOUBT ABOUT HOW TO PROCEED IN AN ETHICAL MANNER.	<div style="border: 2px solid black; width: 80px; height: 40px; margin: 0 auto;"></div>	

3. CONTRACTOR RESPONSIBILITY (PLEASE COMPLETE EACH LINE BELOW):

For each "No" answer below, attach an additional sheet of paper with the heading "Contractor Responsibility" and provide an explanation that is brief, concise, and to the point which gives: 1) a detailed description of the issue and its cause, 2) the actions taken or being implemented to ensure that the issue will not occur again, 3) the name, position, and contact info for the individual in your organization charged with ensuring the issue will not be repeated, and 4) the impact, if any, the issue will have on the products or services you have proposed to LAUSD for this contract.

A.	MY ORGANIZATION AND OUR REPRESENTATIVES DEMONSTRATE A RECORD OF INTEGRITY AND BUSINESS ETHICS IN ACCORDANCE WITH ALL LOCAL, STATE AND FEDERAL LAWS, ORDINANCES, DIRECTIVES AND REGULATIONS AS WELL AS THE POLICIES AND REQUIREMENTS ESTABLISHED BY LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
B.	MY ORGANIZATION, INCLUDING ANY PRINCIPAL, OWNER, OFFICER, PARTNER, MAJOR STOCKHOLDER, SUBSIDIARY, AND ALL OTHER REPRESENTATIVES ACTING ON OUR BEHALF, HAS NOT BEEN THE SUBJECT OF A CRIMINAL INVESTIGATION, INDICTMENT, CONVICTION, JUDGMENT, INJUNCTION, OR A GRANT OF IMMUNITY, INCLUDING PENDING ACTIONS, FOR BRIBERY, EMBEZZLEMENT, EXTORTION, FALSIFICATION, FORGERY, MAKING FALSE STATEMENTS OR, ANY OTHER BUSINESS OR ETHICS RELATED CONDUCT CONSTITUTING A CRIMINAL OFFENSE UNDER FEDERAL, STATE OR LOCAL LAW WITHIN THE LAST SEVEN (7) YEARS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
C.	MY ORGANIZATION, INCLUDING ANY PRINCIPAL, OWNER, OFFICER, PARTNER, MAJOR STOCKHOLDER, SUBSIDIARY, AND ALL OTHER REPRESENTATIVES ACTING ON OUR BEHALF, HAS NOT BEEN THE SUBJECT OF A FEDERAL, STATE, LOCAL GOVERNMENT, OR LAUSD SUSPENSION, DEBARMENT, ADMINISTRATIVE AGREEMENT, DENIAL OF CONTRACT AWARD, DECLARATION OF INELIGIBILITY, OR BID REJECTION, INCLUDING PENDING ACTIONS, FOR NON-RESPONSIBILITY WITHIN THE LAST SEVEN (7) YEARS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
D.	MY ORGANIZATION, INCLUDING ANY PRINCIPAL, OWNER, OFFICER, PARTNER, MAJOR STOCKHOLDER, SUBSIDIARY, AND ALL OTHER REPRESENTATIVES ACTING ON OUR BEHALF, HAS NOT BEEN THE SUBJECT OF A FEDERAL, STATE, LOCAL GOVERNMENT, OR LAUSD ADMINISTRATIVE PROCEEDING OR CIVIL ACTION SEEKING SPECIFIC PERFORMANCE, RESTITUTION, CONTRACT SUSPENSION, OR TERMINATION FOR CAUSE, INCLUDING PENDING ACTIONS WITHIN THE LAST SEVEN (7) YEARS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
E.	MY ORGANIZATION, INCLUDING ANY SUBSIDIARY OR PREDECESSOR COMPANY OR ENTITY UNDER A DIFFERENT BUSINESS NAME, HAS NOT BEEN THE SUBJECT OF A BANKRUPTCY PROCEEDING, INCLUDING ANY PENDING BANKRUPTCY PROCEEDINGS WITHIN THE PAST SEVEN (7) YEARS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
F.	MY ORGANIZATION HAS THE FINANCIAL RESOURCES AND MANAGEMENT CAPACITY NECESSARY TO FULFILL THE REQUIREMENTS OF OUR PROPOSED CONTRACT WITH LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
G.	MY ORGANIZATION, INCLUDING ANY PRINCIPAL, OWNER, OFFICER, PARTNER, MAJOR STOCKHOLDER, SUBSIDIARY, AND ALL OTHER REPRESENTATIVES ACTING ON OUR BEHALF, HAS NOT, TO OUR KNOWLEDGE, BEEN THE SUBJECT OF A POOR PERFORMANCE COMPLAINT, CONFLICT OF INTEREST CONCERN, OR OTHER ETHICS INQUIRY AT LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
H.	BY INITIALING HERE, I CERTIFY THAT MY ORGANIZATION AND OUR REPRESENTATIVES WILL BE PROACTIVE IN DISCLOSING TO LAUSD ANY ISSUES CONCERNING OUR RESPONSIBILITY, SO THAT THE APPROPRIATE ACTIONS CAN BE TAKEN TO AVOID IMPACT TO THE PRODUCTS OR SERVICES WE WILL DELIVER TO LAUSD.	<div style="border: 1px solid black; width: 100%; height: 100%;"></div>	

4. CONTRACTING EXCELLENCE (PLEASE COMPLETE EACH LINE BELOW):

A.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL MAINTAIN A CONE OF SILENCE AND AVOID ALL PROHIBITED COMMUNICATIONS WITH LAUSD OFFICIALS DURING THE REQUIRED TIMES OF LAUSD'S CONTRACTING PROCESS. WE WILL NOT REQUEST OR ACCEPT – EITHER DIRECTLY OR INDIRECTLY – ANY PROTECTED INFORMATION REGARDING PRESENT OR FUTURE CONTRACTS BEFORE THE INFORMATION IS MADE PUBLICLY AVAILABLE AT THE SAME TIME AND IN THE SAME FORM TO ALL OTHER POTENTIAL BIDDERS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
B.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL PROTECT THE CONFIDENTIALITY OF ALL INFORMATION GARNERED THROUGH THE CONTRACTING PROCESS AND OUR WORK WITH LAUSD. WE UNDERSTAND THAT USING SUCH INFORMATION, DIRECTLY OR INDIRECTLY, FOR PERSONAL, FINANCIAL OR OTHER PRIVATE INTERESTS IS STRICTLY PROHIBITED.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
C.	MY ORGANIZATION, INCLUDING ANY PRINCIPAL, OWNER, OFFICER, PARTNER, MAJOR STOCKHOLDER, SUBSIDIARY, AND ALL OTHER REPRESENTATIVES ACTING ON OUR BEHALF, HAS NOT PARTICIPATED IN <u>ANY</u> ASPECT OF DEVELOPING THE SCOPE OF WORK, SOLICITATION DOCUMENTS, TECHNICAL SPECIFICATIONS, EVALUATION CRITERIA, PROCUREMENT CONSIDERATIONS, OR OTHER CONTRACTUAL INSTRUMENTS FOR THIS CONTRACT.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
D.	MY ORGANIZATION AND OUR REPRESENTATIVES KNOW OF NO LAUSD OFFICIAL WITH AN ECONOMIC INTEREST IN OUR ORGANIZATION OR OUR REPRESENTATIVES WHO HAS PARTICIPATED IN <u>ANY</u> ASPECT OF THIS CONTRACT. WE KNOW THAT AN ECONOMIC INTEREST EXISTS WHENEVER AN OFFICIAL, HIS OR HER SPOUSE, AND ANY DEPENDENT CHILDREN HAS A DIRECT OR INDIRECT FINANCIAL INTEREST OR LIABILITY IN EXCESS OF \$1000 IN AN ENTITY; HAS RECEIVED INCOME WITHIN THE PAST 12 MONTHS FROM THE ENTITY; HAS SERVED AS AN OFFICER, DIRECTOR, COMMITTEE MEMBER OR AN EMPLOYEE OF THE ENTITY (EVEN IN AN UNPAID CAPACITY); OR HAS RECEIVED A GIFT FROM AN ENTITY OVER LAUSD'S GIFT LIMIT.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
E.	BY INITIALING HERE, I CERTIFY THAT MY ORGANIZATION AND OUR REPRESENTATIVES WILL ABIDE BY ALL THE INTEGRITY REQUIREMENTS OF LAUSD'S CONTRACTING PROCESS. WE WILL BE CAUTIOUS TO AVOID ANY ACTIONS THAT COULD BE SAID TO INTERFERE WITH AN OPEN AND UNIFORM CONTRACTING PROCESS.	<table border="1" style="width: 100%; height: 50px;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>			

5. CONFLICTS OF INTEREST (PLEASE COMPLETE EACH LINE BELOW):

A.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT CONDUCT BUSINESS WITH OR ON BEHALF OF LAUSD IN A MANNER THAT WOULD BE REASONABLY KNOWN TO CREATE OR LEAD TO A PERCEPTION OF SELF-DEALING.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
B.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT CONDUCT BUSINESS WITH ANY LAUSD OFFICIAL* WHO HAS AN ECONOMIC INTEREST IN OUR ORGANIZATION OR OUR REPRESENTATIVES. WE UNDERSTAND THAT DOING SO COULD VIOLATE GOVERNMENT CODE SECTION 1090 AND RESULT IN A VOID CONTRACT IN WHICH WE MAY OWE RESTITUTION TO LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
C.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT MAKE OR PARTICIPATE IN THE MAKING OF LAUSD DECISIONS WHEN OUR PERSONAL FINANCIAL INTERESTS CAN BE AFFECTED.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
D.	MY ORGANIZATION WILL NOT ALLOW ANY OF OUR REPRESENTATIVES TO CONDUCT BUSINESS DIRECTLY WITH ANY LAUSD OFFICIAL WHO IS A CLOSE RELATIVE OR COHABITANT, OR WITH WHOM THERE IS A CLOSE ECONOMIC ASSOCIATION. WE UNDERSTAND THAT ANY TIME THERE IS A CLOSE FAMILY OR PERSONAL RELATIONSHIP INVOLVED BETWEEN OUR REPRESENTATIVES AND AN LAUSD OFFICIAL WHO IS INVOLVED IN THIS WORK OR WHO HAS OVERSIGHT, WE MUST WORK WITH LAUSD TO IMPLEMENT THE NECESSARY SAFEGUARDS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
E.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT CONDUCT WORK ON BEHALF OF ANOTHER CLIENT ON A MATTER THAT WOULD BE REASONABLY SEEN AS IN CONFLICT WITH WORK PERFORMED FOR LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
F.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT BEGIN ANY PROSPECTIVE EMPLOYMENT OR CONSULTING DISCUSSIONS WITH ANY CURRENT LAUSD OFFICIAL WITHOUT IMPLEMENTING THE NECESSARY SAFEGUARDS ESTABLISHED BY STATE LAW AND LAUSD SINCE AN OFFER OF COMPENSATION CAN CREATE A CONFLICT.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
G.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT GIVE ANY GIFTS OR PERSONAL BENEFITS A) TO ANY LAUSD PROCUREMENT OFFICIAL, B) TO ANY LAUSD OFFICIAL IN EXCESS OF LAUSD'S ESTABLISHED GIFT LIMIT, OR C) TO ANY LAUSD OFFICIAL WITHOUT THE REQUIRED DISCLOSURE, IF DISCLOSURE IS REQUIRED.	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
H.	BY INITIALING HERE, I CERTIFY THAT MY ORGANIZATION AND OUR REPRESENTATIVES WILL BE PROACTIVE IN DISCLOSING IN WRITING ALL POTENTIAL OR ACTUAL CONFLICTS, ON AN ONGOING BASIS, TO THE LAUSD OFFICIALS DESIGNATED IN THE CODE, SO THAT ANY CONFLICTS CAN BE APPROPRIATELY REMEDIED.	<table border="1" style="width: 100%; height: 50px;"> <tr> <td style="width: 50%;"></td> <td style="width: 50%;"></td> </tr> </table>			

* Note that an LAUSD official is broadly defined to include "any board member, employee, consultant or advisory member of LAUSD" who is involved in making recommendations or decisions for LAUSD.

6. REVOLVING DOOR RESTRICTIONS (PLEASE COMPLETE EACH LINE BELOW):

For each "No" answer below, attach an additional sheet of paper with the heading "Revolving Door Restrictions" and provide an explanation that is brief, concise, and to the point which gives: 1) a description of the situation and the full name of the current or former LAUSD official(s) involved, 2) employment dates with LAUSD, 3) LAUSD position title(s) held with department(s) worked, 4) position title(s) held for your organization, 5) a detailed scope of responsibilities and services being performed for your organization, and 6) time period(s) your organization or representatives has compensated the official.

A.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT COMPENSATE ANY CURRENT LAUSD OFFICIAL TO LOBBY LAUSD, NOR WILL WE COMPENSATE ANY FORMER LAUSD OFFICIAL TO LOBBY LAUSD BEFORE A ONE (1) YEAR PERIOD HAS ELAPSED FROM THAT OFFICIAL'S LAST DATE OF EMPLOYMENT WITH LAUSD. WE UNDERSTAND THAT LOBBYING INCLUDES ANY ACTION TAKEN WITH THE PRINCIPAL PURPOSE OF INFLUENCING A POLICY, PROGRAM, CONTRACT, AWARD OR OTHER LAUSD DECISION-MAKING, INCLUDING MARKETING EFFORTS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
B.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT COMPENSATE ANY CURRENT OR FORMER LAUSD OFFICIAL TO WORK ON A MATTER THAT THE OFFICIAL HAS BEEN PERSONALLY AND SUBSTANTIALLY INVOLVED WITH IN THE PRECEDING 12 MONTHS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
C.	MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT COMPENSATE ANY CURRENT OR FORMER LAUSD OFFICIAL TO PERFORM ANY SERVICES ON A CONTRACT THAT THE OFFICIAL HAS SUBSTANTIALLY PARTICIPATED IN WITHIN THE PRECEDING TWO (2) YEARS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
D.	MY ORGANIZATION WILL ENSURE THAT ANY REPRESENTATIVE WHO IS CONTRACTED TO ACT IN THE CAPACITY OF AN LAUSD OFFICIAL WILL DISQUALIFY HIMSELF OR HERSELF FROM MAKING ANY GOVERNMENTAL DECISIONS FOR LAUSD RELATING TO A PRIVATE SECTOR INTEREST, INCLUDING MATTERS INVOLVING OUR ORGANIZATION, UNTIL A ONE (1) YEAR PERIOD HAS ELAPSED FROM THE TIME THE INTEREST HAS BEEN DISPOSED OR SEVERED.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
E.	DESCRIBE BRIEFLY THE INTERNAL SAFEGUARDS YOUR ORGANIZATION HAS PUT IN PLACE TO PRESERVE LAUSD'S COOLING PERIOD RESTRICTIONS:		
F.	BY INITIALING HERE, I CERTIFY THAT MY ORGANIZATION AND OUR REPRESENTATIVES WILL UPHOLD ALL THE PROVISIONS OF LAUSD'S REVOLVING DOOR COOLING PERIOD RESTRICTIONS. WE RESPECT THE NEED FOR PUBLIC AGENCIES TO ENSURE THAT NO UNFAIR COMPETITIVE ADVANTAGE IS EXTENDED DUE TO THE HIRING OF CURRENT OR FORMER PUBLIC OFFICIALS.	<div style="border: 2px solid black; width: 100px; height: 40px; margin: 0 auto;"></div>	

7. DISCLOSURE OBLIGATIONS (PLEASE COMPLETE EACH LINE BELOW):

Disclosure of Your Representatives		
Please attach an additional sheet of paper with the heading "Our Representatives" and provide the following: 1) the full name of all subcontractors, employees, agents and anyone else who will act on your organization's behalf for this LAUSD contract, 2) each individual's position title, and 3) each individual's organizational affiliation.		
Disclosure Relating to Current & Former LAUSD Officials		
For each "No" answer below, attach an additional sheet of paper with the heading "Disclosure Obligations – Current & Former LAUSD Officials" and provide the following: 1) the full name of the current or former LAUSD official(s) involved, 2) the official's employment dates with LAUSD, 3) the official's final three-year history of LAUSD position title(s) held with department(s) worked, 4) position title(s) held for your organization, 5) a detailed scope of the responsibilities and services being performed for your organization, and 6) the time period(s) for which your organization or representative has compensated the official. <i>Note: Public agencies are exempt from this requirement and may indicate so on their attachment.</i>		
A. MY ORGANIZATION AND OUR REPRESENTATIVES ARE <u>NOT</u> COMPENSATING ANY CURRENT LAUSD OFFICIALS. WE KNOW THAT AN LAUSD OFFICIAL IS BROADLY DEFINED TO INCLUDE "ANY BOARD MEMBER, EMPLOYEE, CONSULTANT OR ADVISORY MEMBER OF LAUSD" WHO IS INVOLVED IN MAKING RECOMMENDATIONS OR DECISIONS FOR LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
B. MY ORGANIZATION AND OUR REPRESENTATIVES ARE <u>NOT</u> COMPENSATING ANY INDIVIDUALS WHO HAVE BEEN FORMER LAUSD OFFICIALS WITHIN THE LAST THREE (3) YEARS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
For each "No" answer below, attach an additional sheet of paper with the heading "Disclosure Obligations – Other Affiliations" and provide the following: 1) the full name of the LAUSD official(s) involved, 2) the official's current LAUSD position title held and department worked, and 3) the details of the official's relationship or affiliation with your organization or representatives.		
C. MY ORGANIZATION AND OUR REPRESENTATIVES ARE NOT COMPENSATING THE FAMILY MEMBERS OF ANY LAUSD OFFICIALS WHO ARE INVOLVED WITH THIS CONTRACT OR OUR WORK FOR LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
D. MY ORGANIZATION AND OUR REPRESENTATIVES HAVE NO KNOWLEDGE OF ANY FORMER EMPLOYEES OF OURS WHO ARE PRESENTLY EMPLOYED BY LAUSD.	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Lobbying Disclosure		
E. MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT ENGAGE IN ANY LAUSD LOBBYING ACTIVITIES WITHOUT THE APPROPRIATE REGISTRATION AND DISCLOSURE THROUGH LAUSD'S ETHICS OFFICE WEBSITE (WWW.LAUSD.NET/ETHICS). WE UNDERSTAND THAT UNDER LAUSD'S LOBBYING DISCLOSURE CODE, REGISTRATION IS REQUIRED IF WE ARE PAID BY A CLIENT TO LOBBY LAUSD, OR IF WE WILL SPEND MORE THAN \$10,000 THIS YEAR TO LOBBY LAUSD ON OUR OWN BEHALF. WE KNOW THAT LOBBYING INCLUDES ANY ACTION TAKEN WITH THE PRINCIPAL PURPOSE OF INFLUENCING A POLICY, PROGRAM, CONTRACT, AWARD OR OTHER LAUSD DECISION, INCLUDING MARKETING AND PROMOTIONAL EFFORTS.	<input type="checkbox"/> Yes	<input type="checkbox"/> No

State-Mandated Statement of Economic Interests
(for professional services contracts only)

<p>F. MY ORGANIZATION AND OUR REPRESENTATIVES WILL ABIDE BY THE FINANCIAL DISCLOSURE REQUIREMENTS OF CALIFORNIA'S POLITICAL REFORM ACT WHICH REQUIRES INDIVIDUAL CONTRACTORS AND THEIR REPRESENTATIVES TO DISCLOSE ECONOMIC INTERESTS THAT COULD BE FORESEEABLY AFFECTED BY THEIR EXERCISE OF CONTRACTUAL DUTIES.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>If the answer is "No" below, attach an additional sheet of paper with the heading "State-Mandated Statement of Economic Interests" and provide the following: 1) the full name of each of your representatives who will make governmental decisions or participate in the making of governmental decisions for LAUSD in this contract, 2) a detailed scope of the responsibilities and services each individual will provide to LAUSD, and 3) a valid e-mail address for each representative. Before a contract is executed, these individuals will have to complete a Statement of Economic Interests which can be downloaded from: www.lausd.net/ethics.</p>		
<p>G. MY ORGANIZATION AND OUR REPRESENTATIVES WILL <u>NOT</u> BE INVOLVED IN PERFORMING ANY ACTIVITIES OR DECISION-MAKING FOR LAUSD IN THIS CONTRACT SUCH AS: OBLIGATING LAUSD TO A COURSE OF ACTION; APPROVING PLANS, DESIGNS, REPORTS OR STUDIES FOR LAUSD; ADOPTING POLICIES, STANDARDS AND GUIDELINES FOR ANY SUBDIVISION OF LAUSD; AUTHORIZING LAUSD TO ENTER INTO, MODIFY, OR RENEW A CONTRACT; NEGOTIATING ON BEHALF OF LAUSD; ADVISING OR MAKING RECOMMENDATIONS TO LAUSD DECISION-MAKERS; CONDUCTING RESEARCH OF INVESTIGATIONS FOR LAUSD; PREPARING A REPORT OR ANALYSIS THAT REQUIRES AN EXERCISE IN JUDGMENT OR PERFORMING DUTIES SIMILAR TO AN LAUSD STAFF POSITION WHICH IS ALREADY DESIGNATED AS A FILER POSITION IN LAUSD'S CONFLICT OF INTEREST CODE.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>H. BY INITIALING HERE, I CERTIFY THAT MY ORGANIZATION AND OUR REPRESENTATIVES WILL UPHOLD ALL OUR PUBLIC DISCLOSURE OBLIGATIONS WITH LAUSD. WE UNDERSTAND THAT PROVIDING TRANSPARENCY HELPS TO ENSURE GREATER ACCOUNTABILITY AND PUBLIC TRUST.</p>	<div style="border: 1px solid black; width: 100%; height: 50px;"></div>	

To ensure your compliance with LAUSD's disclosure obligations, please verify that all necessary attachments are included.

8. TRUST-BUILDING PRACTICES (PLEASE COMPLETE EACH LINE BELOW):

<p>A. MY ORGANIZATION AND OUR REPRESENTATIVES WILL ADVISE LAUSD OF ANY CHANGE IN THE OWNERSHIP OR OPERATIONAL AND MANAGERIAL CONTROL OF OUR ORGANIZATION WITHIN 10 BUSINESS DAYS OF SUCH CHANGE.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>B. MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT ENGAGE IN POLITICAL SUPPORT AND ACTIVITIES ON LAUSD TIME OR WITH LAUSD RESOURCES UNLESS WE HAVE BEEN RETAINED BY LAUSD TO SPECIFICALLY ENGAGE IN THOSE ACTIVITIES. WE UNDERSTAND THAT LAUSD RESOURCES INCLUDE: TIME, PROPERTY, SUPPLIES, SERVICES, CONSUMABLES, EQUIPMENT, TECHNOLOGY, INTELLECTUAL PROPERTY, AND INFORMATION</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>C. MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT SUBMIT ANY FALSE CLAIMS FOR PAYMENT TO LAUSD, AND WE WILL NOT MAKE ANY SUBSTITUTION FOR GOODS, SERVICES OR TALENT THAT DO NOT MEET CONTRACT SPECIFICATIONS WITHOUT PRIOR WRITTEN APPROVAL BY LAUSD.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>D. MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT USE LAUSD ASSETS AND RESOURCES FOR PURPOSES WHICH DO NOT SUPPORT LAUSD'S WORK. WE UNDERSTAND THAT LAUSD ASSETS INCLUDE: TIME, PROPERTY, SUPPLIES, SERVICES, CONSUMABLES, EQUIPMENT, TECHNOLOGY, INTELLECTUAL PROPERTY, AND INFORMATION.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>E. MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT USE LAUSD NAMES AND MARKS, OR SUGGEST ANY LAUSD ENDORSEMENT IN ANY WAY, WITHOUT THE APPROPRIATE WRITTEN LAUSD APPROVAL.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>F. MY ORGANIZATION AND OUR REPRESENTATIVES WILL NOT LET ANY SUSPECTED VIOLATIONS OF LAUSD'S CONTRACTOR CODE OF CONDUCT GO UNADDRESSED. WE UNDERSTAND THAT GOOD FAITH REPORTING OF SUSPECTED VIOLATIONS TO LAUSD'S OFFICE OF THE INSPECTOR GENERAL IS ENCOURAGED.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>G. BY INITIALING HERE, I CERTIFY THAT MY ORGANIZATION AND OUR REPRESENTATIVES WILL ENSURE ETHICAL AND RESPONSIBLE USE OF PUBLIC TAX DOLLARS FOR MAXIMUM STUDENT BENEFIT BY COMMITTING TO TRUST-BUILDING PRACTICES AND BY PROVIDING EXCELLENCE, HIGH QUALITY, INNOVATION AND COST EFFECTIVENESS IN THE PRODUCTS AND SERVICES WE WILL DELIVER TO LAUSD.</p>	<div style="border: 1px solid black; width: 100%; height: 50px;"></div>	

Thank you for your commitment to helping LAUSD ensure ethical conduct, public integrity and responsible use of scarce tax dollars.

Section II-B3 - INSURANCE REQUIREMENTS

The Proposer shall submit with its Proposal evidence that it has or can obtain insurance prior to Contract award. The following coverages are required:

- A. Commercial General Liability Insurance, including both bodily injury and property damage, with limits as follows:
 - \$1,000,000 per occurrence
 - \$ 100,000 fire damage
 - \$ 5,000 med expenses
 - \$1,000,000 personal & adv. injury
 - \$3,000,000 general aggregate
 - \$3,000,000 products/completed operations aggregate
- B. Business Auto Liability Insurance for owned, scheduled, non-owned or hired automobiles with a combined single limit of no less than \$1 million per occurrence. If no owned autos, then non-owned/hired coverage can be accepted.
- C. Workers' Compensation and Employers Liability Insurance in a form and amount covering Contractor's full liability under the California Workers' Compensation Insurance and Safety Act and in accordance with applicable state and federal laws.

Part A – Statutory Limits

Part B - \$1,000,000/\$1,000,000/\$1,000,000 Employers Liability

*If the Contractor is a sole proprietor with no employees, proof of Workers' Compensation and Employers' Liability insurance coverage will not be required. However, Contractor must provide the District with a signed Workers' Compensation Statement. Please contact the Contract Analyst via email at anthony.silo@lausd.net to obtain the Workers' Compensation Statement.

- D. Errors & Omissions (Professional Liability) coverage
 - \$3,000,000 per occurrence / \$3,000,000 aggregate
- E. Any deductibles or Self-Insured Retentions (SIR) shall be declared in writing, deductibles and retentions above \$100,000 require the Office of Risk Management and Insurance Service's pre-approval.
- F. Contractor, upon execution of the contract and periodically thereafter upon request, shall furnish the District with certificates of insurance evidencing such coverage. The certificate of insurance shall include a ten (10) day non-renewal/cancellation notice provision. The Commercial General Liability and Business Auto Liability policies of insurance providing the coverages referred to in clauses A and B above shall name the District and the Board of Education for the City of Los Angeles as additional insured. Premiums on all insurance policies shall be paid by Contractor and shall be deemed included in Contractor's obligations under the contract at no additional charge.

SECTION II (Continued)

PRICE PROPOSAL AND INSTRUCTIONS

1. The purpose of this form is to provide a standard format by which the Proposer submits to the District a summary of estimated costs (and attached supporting information) suitable for detailed review and analysis.

An itemized cost proposal for firm fixed price contract is required for audit and negotiation purposes only.

2. In addition to the specific information required by this form, the Proposer is expected, in good faith, to incorporate in and submit with this form any additional data, supporting schedules, or substantiation which are reasonably required for the conduct of an appropriate review and analysis in the light of the specific facts of this procurement. For effective negotiations, it is essential that there be a clear understanding of:
 - a. The existing, verifiable data,
 - b. The judgmental factors applied in projecting from known data to the estimate, and
 - c. The contingencies used by the Proposer in his proposed price.

In short, the Proposer's estimating process itself needs to be disclosed.

3. When attachment of supporting cost or pricing data to this form is impracticable, the data will be described (with schedules as appropriate) and made available to the Contract Administrator or his representative upon request.
4. By submission of this Proposal the Proposer grants to the District, the right to examine, for the purpose of verifying the cost or pricing data submitted, those books, records, documents and other supporting data which will permit adequate evaluation of such cost or pricing data, along with the computations and projections used therein. This right may be exercised in connection with any negotiations/discussions prior to contract award.

SECTION II (Continued)

ADDITIONAL INSTRUCTIONS "FORM PSD-1"

1. Direct Labor

This category covers all of the types of labor (delineating different levels as appropriate) - that will be **directly** charged to the contract. (The Proposer is free to group labor in any categories that assist in managing the statement of Work as long as the costs are accumulated for the same categories that are used for estimating purposes. A "time-phased breakdown" of labor hours and rates reflects the fact that the process of estimating and analyzing labor costs normally considers hours and rates separately.)

a. Labor Hours

In cases where the Proposer has performed the same or similar Work in the past, the number of labor hours incurred will be considered factual data and must be presented in the Proposal. When the Proposer has no previous experience in performing the Work to be procured, the estimate of labor hours must be made by breaking down the projected Work into its constituent parts and projecting the labor hours necessary to perform each part of the Work. In most cases, each part of the Work can be compared to similar Work that the Proposer has performed in the past and this data can be used to support the estimate.

b. Labor Rates

Even if the Proposer has never performed the specific Work to be contracted for, there will be factual (auditable) information regarding the labor rates that have been paid to the various categories of employees to be used on the contract. This information must be included as part of the Proposer's cost or pricing data.*

***Note:** Another factor that is assessed is the number of workers the Proposer expects to employ during the contract performance period. (If the number is increasing, average labor rates will normally go down while a reduction in the number of employees will normally increase the rate.)

2. Labor Overhead

Indicate the rates used and provide an appropriate explanation. Provide the method of computation and application of Proposer's overhead expenses, including cost breakdown and showing trends and budgetary data as necessary to provide a basis for evaluation of the reasonableness of proposed rates. Provide the reason for use of overhead rates which depart significantly from experienced rates (reduced volume, a planned major rearrangement, etc.).

3. Travel

Travel shall be itemized to include the number of trips, the number of people traveling, the estimated cost of the transportation (including mode), the per diem cost of each traveler, etc. Provide itemized supporting data on the second page of "Form PSD-1". Travel costs shall be limited to costs consistent with the District's Travel Policy which is summarized in Attachment A to Form PSD-1.

4. Subcontractors

Identify and provide total estimated cost for each subcontractor. Attach individual LAUSD "Form PSD-1(s)" for all proposed subcontractors.

5. Other Direct Costs (ODC)

Proposers charge a variety of costs directly to contracts to obtain more accurate cost allocation. Such costs are frequently sporadic in nature varying greatly from contract effort to another; however, Proposers must submit past data on such costs. (The Contract Administrator/Evaluation Team will assess each type of direct cost in terms of its relationship to the Work on the contract to determine if the Proposer is estimating a level of cost that is reasonable in the circumstances.) (Material costs, if any, shall be itemized and supported on the basis for pricing materials such as vendor quotes, shop estimates, or invoice prices, etc.) Provide itemized supporting data related to ODC on the second page of the "Form PSD-1".

6. General & Administrative (G & A)

If applicable, the allocation base for general and administrative expense is total expense before G & A. Identify the percentage used for G & A and the item numbers to which it is applied. Provide estimated cost.

7. Fee/Profit

Proposer shall provide the estimated fee/profit that is expected to be earned.

The cost and pricing data must be accurate, complete and current, and the judgment factors used in projecting from the data to the estimates must be stated in sufficient detail to enable the District to evaluate the Proposal.

CONTRACT PRICING PROPOSAL (Services)		LAUSD "Form PSD-1"		Page _____ of _____
RFP NO. 1095				
Company Name		Print Name and Title		
Address		Signature/Date		
Services to be Performed: <u>Investment Consulting Services</u>		Total Proposal Amount Per Year \$		
DETAILED DESCRIPTION OF COST ELEMENTS				
1. Direct Labor (Specify Labor Category)	Name of Team Member	Estimated Hours	Rate/Hour	Total Est. Cost
Total Direct Labor				
2. Labor Overhead		O.H Rate	X Base =	
Total Labor Overhead				
3. Travel*				
a. Transportation				
b. Per Diem or Subsistence				
Total Travel				
4. Subcontractors/Suppliers**				
Total Subcontractors/Suppliers				
5. Other Direct Costs*				
6. General & Admin. Expense (____% of Item Nos. __)				
7. Fee/Profit				
TOTAL ESTIMATED COST PER YEAR				
* Itemize on second page of "Form PSD-1"				
** Attach LAUSD "Form PSD-1" for all proposed subcontractors				

SECTION III

ATTACHMENT A

DISTRICT TRAVEL AND EXPENSE GUIDELINES

All bills shall include an itemized listing supported by copies of the original bills, invoices, expense accounts and miscellaneous supporting data.

If charged to the District, all travel either to Los Angeles or from Los Angeles to other locations shall be approved in writing in advance by the District's Project Manager.

Time for travel will not be reimbursed except for travel during normal business hours.

A. Auto Mileage

Auto mileage will be reimbursed at the current Federal Government's "Federal Standard Mileage Rate", which may be found on the following Federal Government website: <http://www.irs.gov>.

B. Air Travel

Airfares will be reimbursed based on the most direct route at coach class travel rates. Upgrading (coach to a higher class) of airline tickets will only be reimbursed when approved, and only when the business schedule requires immediate travel and only higher-class accommodations are available. Downgrading (exchange) of airline ticket where the Contractor receives financial or personal gain is not permitted. If a trip is postponed, reservations should be canceled immediately.

Travel arrangements should be made as early as possible (preferably three weeks) to take advantage of advanced reservation rates.

C. Combining Business Travel with Personal Travel

The Contractor's employees may combine personal travel with District business only if the personal travel does not increase the cost to the District. Arrangement for personal travel should be handled by the Contractor's employee. The District will not manage personal travel.

D. Air Travel Insurance

The District does not pay for air travel insurance.

E. Accommodations

The District will reimburse hotel room fees at the governmental rate. The District may reimburse hotel room fees at the standard rate based on single room occupancy in cases where a government rate is not available.

F. Laundry

Laundry and dry cleaning charges will only be paid if a Contractor's employee is on travel for the District for a period in excess of six (6) consecutive days.

G. Entertainment

The District will not pay for the rental of premium channel movies, use of health club facilities or other forms of entertainment.

H. Auto Rental

If required, the District will pay for reasonable car rental charges. The Contractor's employees are expected to request the rental of an economy car.

I. Meals

Meals will be reimbursed based on the actual cost up to a maximum of \$50.00 per day of travel. Receipts are required for all meals. In order to be reimbursed, meal receipts (itemized if possible) in the form of receipts, credit card receipts, or cash register tape must be submitted. The District will not pay for alcoholic beverages.

In lieu of itemizing meal expenses and submitting receipts, the Contractor's employees may claim for the duration of the travel the current per diem found on the US General Services Administration website at www.gsa.gov.

J. Telephone Usage

The Contractor's employees shall submit documentation regarding all telephone calls charged to the District. Documentation must include the name of the party being called and the purpose of the call. The District shall allow one business call upon arrival and one call prior to departure. The District will not pay for additional business calls unless directly related to the Contract. Personal telephone calls are not reimbursable unless the Contractor's employee is on travel for the District for more than three consecutive days. In this case, the cost of a call shall not exceed \$5.00 and one call is permitted every other day.

K. Parking and Ground Transportation

Public transportation should be used whenever possible; however, if necessary, rental car expenses including gas will be reimbursed for authorized travel only. Cab fare (on a shared basis whenever possible) is reimbursable. Receipts shall be required to document all parking charges as well as other ground transportation charges.

The Contractor's employees shall rent the lowest automobile classification appropriate for the size or purpose of the group using the vehicle.

1-2 Travelers	Compact
3 Travelers	Medium/Intermediate
4-5 Travelers	Full Size/Standard Equipment
6+ Travelers	Van

The Contractor's employees must fuel rental automobiles prior to turn-in as rental companies normally add a large service charge to fuel costs.

L. General Parking

The Contractor's employees should take advantage of "Early Bird Parking" whenever possible. Parking expense incurred while conducting District business is reimbursable.

M. Tolls and Fees

Transportation related toll charges incurred while on District business is reimbursable.

N. Baggage Handling

Baggage handling service fees within or outside the Los Angeles region are reimbursable at standard reasonable rates.

O. Other Business Expenses

Supplies, equipment rental, reprographics, and facsimile related expenses may be reimbursed when traveling on District business. Such expenses shall be billed at cost.

P. Unallowable Expenses

The District will not provide any reimbursement for personal entertainment expenses, alcoholic beverages, and travel expenses for family members, use of health club facilities, movies in hotels, personal items, charitable contributions, etc.

Q. Other Source of Information

Information not addressed herein regarding the allowability of cost reimbursement expenses is contained in the Federal Acquisition Regulations.

END OF ATTACHMENT A

SECTION III (Continued)

ATTACHMENT B

DISTRICT TERMS AND CONDITIONS –

The following is the District's term and conditions. Proposers are advised to read the Contract in its entirety. Any **EXCEPTIONS** to be taken shall be clearly noted, redlined and identified in the Proposers proposal. Unless exceptions are listed, there shall be no negotiation of these terms and conditions.

The District reserves the right to reject a firm, as non-responsive, regardless of the stage of the procurement process, if there is a failure to successfully negotiate price/fees, terms and conditions, or failure of the firm to satisfy any of the final requirements necessary to do business with the District.

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into on October 1, 2012, between

CONTRACTOR NAME

Street Address
City, Zip

Attention:
Phone:
Email:

hereinafter referred to as the “Contractor”, and

LOS ANGELES UNIFIED SCHOOL DISTRICT

hereinafter referred to as the “District”.

WHEREAS the District is authorized by Government Code Section 53060 to contract with an independent contractor specially trained to perform special services required; and WHEREAS the Contractor is specially trained and experienced and competent to perform the special services pursuant to this agreement; therefore the parties hereto agree as follows:

1. PERIOD OF AGREEMENT The period of performance shall be from **October 1, 2012 through September 30, 2015**.
2. OPTIONS

This Agreement includes an initial one (1) year period, and two (2) one-year options to continue services for additional periods, at the election of the District. The District may exercise the said options within thirty (30) days prior to the expiration date of the preceding authorized period by issuance of an appropriately funded unilateral modification to the Agreement citing this special contract requirement as authority.

	Period of Agreement	Amount (\$)
Initial Period	October 1, 2012 through September 30, 2015	
Option Year 1	October 1, 2015 through September 30, 2016	
Option Year 2	October 1, 2016 through September 30, 2017	
	Grand Total	

3. DUTIES OF THE CONTRACTOR shall be to provide **Investment Consulting Services** in accordance with **Exhibit A (Statement of Work)**, which is attached hereto and made a part hereof.

The performance of these duties shall be at times and places within the limits of District policy at the discretion of the Contractor.

4. LIABILITY The District shall not be liable to the Contractor for personal injury or property damage sustained by the Contractor in the performance of this agreement whether caused by the District, its officers, employees, or by third persons.

5. INDEPENDENT CONTRACTOR While engaged in performance of this agreement the Contractor is an independent contractor and is not an officer, agent, or employee of the District. Contractor is not entitled to benefits of any kind to which District's employees are entitled, including but not limited to unemployment compensation, worker's compensation, health insurance and retirement benefits. Contractor assumes full responsibility for the acts and/or omissions of Contractor's employees or agents as they relate to performance of this agreement. Contractor assumes full responsibility for workers' compensation insurance, and payment of all federal, state and local taxes or contributions, including but not limited to unemployment insurance, social security, Medicare and income taxes with respect to Contractor and Contractor's employees. Contractor warrants its compliance with the criteria established by the U.S. Internal Revenue Service (I.R.S.) for qualification as an independent contractor, including but not limited to being hired on a temporary basis, having some discretion in scheduling time to complete contract work, working for more than one employer at a time, and acquiring and maintaining its own office space and equipment. Contractor agrees to indemnify District for all costs and any penalties arising from audits by state and/or federal tax entities related to services provided by Contractor's employees and agents under this agreement.

6. CONTRACT AMOUNT The District shall pay the Contractor on a Firm Fixed Price basis the amount of \$ _____ in accordance with the pricing schedule established in **Exhibit B** which is attached hereto and made a part hereof. Payment shall be contingent upon acceptance of the work and approval of invoice(s) by the **Director** or designee. The District will process payment within 45 days of receipt of invoice(s) which meet the requirements of this section, so long as the District has on file a fully executed contract for the invoiced services. Invoices must (a) reference this agreement number and/or the related purchase order number, (b) be signed and submitted by the Contractor to the location identified below, and (c) shall itemize services, date(s), and payment rate(s) consistent with the terms of this agreement. Any invoice(s) failing to meet the requirements set forth in this section will not be considered for payment within 45 days and may be rejected and/or returned to the vendor. Additional documentation shall be furnished by the Contractor to the District's Accounts Payable Branch upon request.

Mail Original Invoice(s) and Two (2) Copies to:

Los Angeles Unified School District
 Accounts Payable Branch
 333 S. Beaudry Ave., 27th Floor
 Los Angeles, CA 90017

Mail One (1) Copy of Invoice(s) to:

Los Angeles Unified School District
 Benefits Administration
 333 S. Beaudry Ave., 28th Floor
 Los Angeles, CA 90017
 Attention: Janice Sawyer
 Director of Benefits

7. RIGHTS TO REPORT The rights to any report, evaluation and/or other material developed by the Contractor in connection with this agreement shall belong to the District.

8. CONFLICT OF INTEREST Contractor understands all federal and state laws as well as all provisions of LAUSD's Contractor Code of Conduct's pertaining to conflict of interest. Contractor certifies on behalf of any Representatives that there is no existing financial interest, whether direct or indirect, which would conflict in any manner or degree with the performance of services required under this agreement and that none will be acquired. Further, Contractor certifies that no persons having any such interests shall be subcontracted in connection with this agreement, or employed by the Contractor.

Contractor understands that California law governs situations in which there exists or has existed a financial interest between a Contractor and a public official within a 12-month window leading up to

a governmental decision. It does not matter whether the impact of an existing relationship is beneficial or detrimental to the interests of the Contractor, its Representatives or the public agency.

Contractor is also responsible for taking all the necessary steps to avoid even the appearance of impropriety or misrepresentation and has a duty to disclose to LAUSD any and all circumstances existing at such time which pose a potential conflict of interest, prior to entering into this agreement. Contractor also has an ongoing obligation to proactively disclose any potential or actual conflict of interest through a Meaningful Conflict Disclosure to LAUSD and to fully cooperate in any inquiry to enable LAUSD to determine whether or not there is a conflict of interest and what resolution is necessary.

As a condition of this agreement, Contractor agrees to comply with LAUSD's Contractor Code of Conduct which is included hereto as **Attachment C** and made a part hereof.

Failure to comply with any of these provisions shall constitute grounds for immediate termination of this agreement, in addition to whatever other remedies LAUSD may seek.

9. AUDIT AND INSPECTION OF RECORDS The Contractor shall maintain and the District shall have the right to examine and audit all of the books, records, documents, accounting procedures and practices and other evidence regardless of form (e.g., machine-readable media such as disk, tape, etc.) or type (e.g., databases, applications software, database management software, utilities, etc.), sufficient to properly reflect all costs claimed to have been incurred or anticipated to be incurred in performing the agreement.

The Contractor shall make said evidence (or to the extent accepted by the District, photographs, micro-photographs or other authentic reproductions thereof) available to the District at the District's or the Contractor's offices (to be specified by the District) at all reasonable times and without charge to the District. Said evidence/records shall be provided to the District within five (5) working days of a written request from the District. The Contractor shall, at no cost to the District, furnish assistance for such examination/audit. The Contractor and its subcontractors and suppliers shall keep and preserve all such records for a period of at least 3 years from and after final payment or if the agreement is terminated in whole or in part until 3 years after the final agreement close-out. The District's rights under this section shall also include access to the Contractor's offices for the purpose of interviewing the Contractor's employees.

Any information provided on machine-readable media shall be provided in a format accessible and readable by the District. The Contractor's failure to provide records or access within the time requested shall preclude Contractor from receiving any payment due under the terms of this agreement until such evidence/documents are provided to the District. The Contractor shall obtain from its subcontractors and suppliers written agreements to the requirements of this section and shall provide a copy of such agreements to the District upon request by the District.

10. CONFIDENTIALITY

- 10.1. This agreement, all communications and information obtained by Contractor from District relating to this agreement, and all information developed by Contractor under this agreement, are confidential. Except as provided in Subsection 10.3, without the prior written consent of an authorized representative of District, Contractor shall neither divulge to, nor discuss with, any third party either the work and services provided hereunder, or any communication or information in connection with such services or work, except as required by law. Prior to any disclosure of such matters, whether as required by law or otherwise, Contractor shall inform

District, in writing, of the nature and reasons for such disclosure. Contractor shall not use any communications or information obtained from District for any purpose other than the performance of this agreement, without District's written prior consent.

- 10.2. At the conclusion of the performance of this agreement, Contractor shall return to District all written materials constituting or incorporating any communications or information obtained from District. Upon District's specific approval, Contractor may retain copies of such materials, subject to the requirements of Subsection 10.1.
 - 10.3. Contractor may disclose to any subcontractor, or District approved third parties, any information otherwise subject to Subsection 10.1 that is reasonably required for the performance of the subcontractor's work. Prior to any such disclosure, Contractor shall obtain the subcontractor's written agreement to the requirements of Subsection 10.1 and shall provide a copy of such agreement to District.
 - 10.4. Contractor represents that it shall not publish or cause to be disseminated through any press release, public statement, or marketing or selling effort any information which relates to this agreement without the prior written approval of District.
 - 10.5. Contractor's obligation of confidence with respect to information submitted or disclosed to Contractor by District hereunder shall survive termination of this agreement.
11. EVALUATION The Contractor acknowledges that the presentation or services may be evaluated by the participants, the Sponsor, the District's Office of Data & Accountability or any other District offices or schools and understands that the results of the evaluation may be made available to the Contractor, other schools and offices within the District, and other school Districts and agencies upon request. The Contractor agrees to cooperate fully with any such evaluation and agrees to promptly furnish any information that is requested by the District for evaluation purposes.
12. EQUAL EMPLOYMENT OPPORTUNITY It is the policy of the District that, in connection with all work performed under District agreements, there shall be no discrimination against any employee or applicant for employment because of race, color, religious creed, national origin, ancestry, marital status, sex, sexual orientation, age, disability or medical condition and therefore the Contractor agrees to comply with applicable federal and state laws. In addition, the Contractor agrees to require like compliance by all subcontractors employed on the work.
13. TERMINATION FOR CONVENIENCE
- 13.1. The District may, by written notice to the Contractor, terminate this agreement in whole or in part at any time, for the District's convenience. Upon receipt of such notice, the Contractor shall:
 - (1) immediately discontinue all services affected (unless the notice directs otherwise) and
 - (2) deliver to the District all information and material as may have been involved in the provision of services whether provided by the District or generated by the Contractor in the performance of this agreement, whether completed or in process. Termination of this agreement shall be as of the date of receipt by the Contractor of such notice.
 - 13.2. If the termination is for the convenience of the District, Contractor shall submit a final invoice within 60 days of termination and upon approval by the District, the District shall pay the

Contractor the sums earned for the services actually performed prior to the effective date of termination and other costs reasonably incurred by the Contractor to implement the termination.

- 13.3. The Contractor shall not be entitled to anticipatory or consequential damages as a result of any termination under this section. Payment to the Contractor in accordance with this section shall constitute the Contractor's exclusive remedy for any termination hereunder. The rights and remedies of the District provided in this section are in addition to any other rights and remedies provided by law or under this agreement.

14. TERMINATION FOR DEFAULT

- 14.1. The District may, by written notice to the Contractor, terminate this agreement in whole or in part at any time because of the failure of the Contractor to fulfill its contractual obligations. Upon receipt of such notice, the Contractor shall:

- (1) immediately discontinue all services affected (unless the notice directs otherwise) and
- (2) deliver to the District all information and material as may have been involved in the provision of services whether provided by the District or generated by the Contractor in the performance of this agreement, whether completed or in process. Termination of this agreement shall be as of the date of receipt by the Contractor of such notice.

- 14.2. If the termination is due to the failure of the Contractor to fulfill its contractual obligations, the District may take over the services, and complete the services by contract or otherwise. In such case, the Contractor shall be liable to the District for any reasonable costs or damages occasioned to the District thereby. The expense of completing the services, or any other costs or damages otherwise resulting from the failure of the Contractor to fulfill its obligations, will be charged to the Contractor and will be deducted by the District out of such payments as may be due or may at any time thereafter become due to the Contractor. If such costs and expenses are in excess of the sum which otherwise would have been payable to the Contractor, then the Contractor shall promptly pay the amount of such excess to the District upon notice of the excess so due.

- 14.3. If, after the notice of termination for failure to fulfill contract obligations, it is determined that the Contractor has not so failed, the termination shall be deemed to have been effected for the convenience of the District. In such event, adjustment shall be made as provided in the prior section, Termination for Convenience.

- 14.4 The Contractor shall not be entitled to anticipatory or consequential damages as a result of any termination under this section. Payment to the Contractor in accordance with this section shall constitute the Contractor's exclusive remedy for any termination hereunder. The rights and remedies of the District provided in this section are in addition to any other rights and remedies provided by law or under this agreement.

15. ASSIGNMENTS Neither the performance of this agreement, nor any part thereof, may be assigned by either party without the prior written consent and approval of the other.

16. GOVERNING LAW The validity, interpretation and performance of this agreement shall be determined according to the laws of the State of California.

17. ENTIRE AGREEMENT/AMENDMENT This Agreement, all exhibits to this Agreement, constitute the entire agreement between the parties to the Agreement and supersede any prior or contemporaneous written or oral understanding or agreement, and may be amended only by written amendment executed by both parties to this Agreement.

In the event of any conflict or inconsistency among the above components of this Agreement, such conflict or inconsistency shall be resolved by giving precedence in the following order: (1) Agreement for Professional Services; (2) Exhibit A, Statement of Work; (3) Exhibit B, Payment Schedule; (4) Exhibit C, Los Angeles Unified School District Contractor Code of Conduct; (5) Request for Proposal; and (6) Proposal.

18. CERTIFICATION REGARDING DEBARMENT, SUSPENSION OR INELIGIBILITY FOR AWARD

The following certification is applicable only to contracts for \$25,000 or more which are funded by Federal funds.

By signing this agreement, the Contractor certifies that:

- (a) The Contractor and any of its principals and/or subcontractors are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency, and
- (b) Have not, within a three-year period preceding this contract, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state or local government contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with, commission of any of these offenses.

19. REPRESENTATIONS, WARRANTIES AND COVENANTS

Notwithstanding any language to the contrary in this Agreement or any exhibit to this Agreement, Contractor represents, warrants, and covenants to District as follows:

19.1. Compliance With Laws and Regulations

At all times during the term of this Agreement, Contractor shall comply with all applicable federal, state, and local laws and regulations during its performance of all work contemplated by Exhibit A to this Agreement (“Work”). Contractor represents and warrants that it has all licenses or certificates required to perform the Work or has received waivers from such requirements. Contractor shall insure that all subcontractors performing Work under this Agreement are properly licensed to perform such Work. Contractor shall provide District with all reasonable assistance in complying with all applicable federal, state, and local laws and regulations.

19.2. Noninfringement

The Work shall not violate or infringe upon the rights of any third party, including, without limitation, any patent rights, copyright rights, trademark rights, trade secret rights, or other proprietary rights of any kind.

19.3. Authority

Contractor has full power and authority to enter into this Agreement and to perform hereunder, and such entry and performance do not and will not violate any rights of any third party.

19.4. No Claims

There is no action, suit, proceeding, or material claim or investigation pending or threatened against it in any court, or by or before any federal, state, municipal, or other governmental department, commission, board, bureau, agency, or instrumentality, domestic or foreign, or before any arbitrator of any kind, that, if adversely determined, might adversely affect the Work or restrict Contractor's ability to complete the transactions contemplated by this Agreement, or restrict District's right to use the Work. Contractor knows of no basis for any such action, suit, claim, investigation, or proceeding.

20. DISTRICT DATA

Notwithstanding any language to the contrary in this Agreement or any exhibit to this Agreement, any data or other material furnished by District for use by Contractor under this Agreement shall remain the sole property of District.

21. INDEMNIFICATION

Notwithstanding any language to the contrary in this Agreement or any exhibit to this Agreement, Contractor shall indemnify District as follows:

21.1. General Indemnity

- A. Contractor shall indemnify and hold District and its Board Members, administrators, employees, agents, attorneys, and contractors (Indemnitees) harmless against all liability, loss, damage and expense (including reasonable attorneys' fees) resulting from or arising out of this contract or its performance, whether such loss, expense, damage or liability was proximately caused in whole or in part by the negligent or willful act or omission by Contractor, including, without limitation, its agents, employees, subcontractors or anyone employed directly or indirectly by it.
- B. This indemnification shall apply even in the event of the act, omission, fault, or negligence, whether active or passive, of the Indemnitee(s), but shall not apply to claims arising from the sole negligence or willful misconduct of the Indemnitee(s).

21.2. Proprietary Rights Indemnity

Contractor shall indemnify and hold harmless District, its officers, directors, employees, agents from and against any losses suffered by District as a result of Contractor's breach of its warranties set forth in Section 19 of this Agreement. Contractor shall defend, indemnify, and hold harmless District, its officers, directors, employees, agents from and against any claim, demand, challenge, suit, loss, cost, damage, or liability based on any assertion that the Work or any component or part thereof infringes, misappropriates, or violates any patent right, copyright right, trade secret, or other proprietary right of any third party. District shall notify Contractor in writing of the initial claim or action brought against it. The selection of counsel, the conduct of the defense of any lawsuit, and any settlement shall be within Contractor's control; provided that

District shall have the right to participate in the defense of any such infringement claim using counsel of its choice, at District's expense. No settlement shall be made without notice to, and the prior written consent of, District.

21.3. Insurance

Contractor shall, at his, her, or its sole cost and expense, maintain in full force and effect, during the term of this Agreement, the following insurance coverage from a California licensed and/or admitted insurer with an A minus (A-), VII, or better rating from A.M. Best, to cover any claims, damages, liabilities, costs and expenses (including legal counsel fees) arising out of or in connection with Contractor's fulfillment of any of its obligations under this Agreement or either party's use of the Work or any component or part thereof:

A. Commercial General Liability Insurance, including both bodily injury and property damage, with limits as follows:

- \$1,000,000 per occurrence
- \$ 100,000 fire damage
- \$ 5,000 med expenses
- \$1,000,000 personal & adv. injury
- \$3,000,000 general aggregate
- \$3,000,000 products/completed operations aggregate

B. Business Auto Liability Insurance for owned, scheduled, non-owned or hired automobiles with a combined single limit of \$1,000,000 per occurrence. If no owned autos, then non-owned/hired coverage can be accepted.

C. Workers' Compensation and Employers Liability Insurance in a form and amount covering Contractor's full liability under the California Workers' Compensation Insurance and Safety Act and in accordance with applicable state and federal laws.

Part A – Statutory Limits

Part B - \$1,000,000/\$1,000,000/\$1,000,000 Employers Liability

Sole proprietors with no employees are exempt from providing Workers' Compensation and Employers Liability Insurance, but must provide a signed Workers' Compensation Statement.

D. OTHER COVERAGE:

o Errors and Omissions (Professional Liability) Insurance coverage:

\$3,000,000 per occurrence and \$3,000,000 aggregate.

E. Any deductibles or Self-Insured Retentions (SIR) shall be declared in writing, and all deductibles and retentions above \$100,000 require District approval.

F. Contractor, upon execution of this contract and periodically thereafter upon request, shall furnish the District with certificates of insurance evidencing such coverage. The certificate of insurance shall include a ten (10) day non-renewal/ cancellation notice

provision. The Commercial General and Automobile Liability policies referred to in clauses A and B above shall name the District and the Board of Education as additional insured. Premiums on all insurance policies shall be paid by Contractor and shall be deemed included in Contractor's obligations under this contract at no additional charge.

22. SECURITY

Notwithstanding any language to the contrary in this Agreement or any exhibit to this Agreement, Contractor agrees that it and its personnel shall at all times comply with all security regulations in effect from time to time at District's premises and shall comply with District's security policies and procedures if granted access to District's computer or communications networks.

23. FINGERPRINTING

The Contractor shall comply with the requirements of California Education Code Section 45125.1, and perform the following acts:

- A. Require all current and subsequent employees of Contractor who may enter a school site during the time that pupils are present to submit their fingerprints in a manner authorized by the California Department of Justice (the "CADOJ").
- B. Prohibit employees of Contractor from coming into contact with pupils until the CADOJ has ascertained that the employee has not been convicted of a felony as defined in California Education Code Section 45122.1.
- C. Certify in writing, using the District's fingerprinting certification form (available at the Office of Risk Management and Insurance Services (ORMIS) website) to the District that neither Contractor nor any of Contractor's employees who may enter a school site during the time that pupils are present have been convicted of a felony as defined in California Education Code Section 45122.1 and provide such certification to the District's Office of Risk Management and Insurance Services (ORMIS).
- D. Provide a list of the names of Contractor's employees who may have contact with pupils to the District's Office of Risk Management and Insurance Services (ORMIS). This list shall be updated for employee changes and shall list employees by appropriate school site.
- E. The District may require the Contractor and its employees who may have contact with pupils to submit to additional background checks at the District's sole and absolute discretion.

24. BUDGET REDUCTIONS

In the event that, in the current or any subsequent fiscal year, the Board of Education fails to appropriate sufficient funds to fund the Contract, reduces or terminates funding with respect to the relevant program, or otherwise directs budget cutbacks, the District may either (a) terminate the Contract, without further liability to the District, or (b) propose an amendment to the Contract for an amended definition of the Work and at a lower price. Any such amendment shall require the mutual agreement of the parties. Further, if the Board of Education suspends payments to contractors due to budget cutbacks, the District shall have the option to suspend performance of the Contract and

suspend payments to the Contractor until the Board of Education rescinds the suspension. In any event, the Contractor shall be paid in accordance with the Contract for Work performed through the date of termination, amendment, or suspension of payments. In no event shall the District be liable for any special, consequential, indirect or incidental damages, including but not limited to lost profits arising out of or in connection with any termination, amendment or suspension of payments pursuant to this Section.

25. NOTICES

In all cases where written notice is to be given under this Agreement, service shall be by certified United States mail, return receipt requested, postage prepaid, or by telecopy, personal messenger, or overnight delivery service. When so given, such notice shall be effective from the date of receipt of the same. For the purpose hereof, unless otherwise provided by notice in writing from the respective parties, notices shall be addressed as follows:

Notice to District

Janice Sawyer, Director of Benefits
Los Angeles Unified School District
333 S. Beaudry Avenue, 28th Floor
Los Angeles, CA 90017

With a copy to:

Procurement Services
Los Angeles Unified School District
333 S. Beaudry Avenue, 22nd Floor
Los Angeles, CA 90017
Attention: Anthony Silo

Notice to Contractor

Company Name,
Street Address
City, CA
Attention

26. FIDUCIARY DUTY

Contractor acknowledges and agrees that it holds a fiduciary duty to the Chief Financial Officer (CFO) and the Retirement Investment Advisory (RIA) Committee with respect to the 457(b) Plan under applicable laws. Contractor shall use due diligence when performing all duties under this Contract, but not limited to, the performance of its duties related to the implementation of the 457(b) Plan, advice related to the choice, variation range, and performance of investment options offered under the 457(b) Plan, evaluation of the 457(b) Plan provider, and training of the RIA Committee. Contractor shall also promptly disclose to the CFO and/or the RIA Committee, where applicable, all matters that may have a material impact on the operation of the 457(b) Plan or the District.

THE PARTIES HAVE CAUSED THIS AGREEMENT TO BE DULY EXECUTED.

-DISTRICT-

-CONTRACTOR-

**LOS ANGELES UNIFIED SCHOOL
DISTRICT**

CONTRACTOR NAME

BY LOS ANGELES UNIFIED SCHOOL
DISTRICT BOARD OF EDUCATION

BY _____
Enrique Boull't
Chief Operating Officer

BY _____

(PRINT NAME)

Dated _____

TITLE _____

Fed. I.D. #: _____

Dated _____

SECTION III (Continued)

ATTACHMENT C

LOS ANGELES UNIFIED SCHOOL DISTRICT

Contractor Code of Conduct

(adopted 11/02, revision effective 11/06)

Preamble

Los Angeles Unified School District's Contractor Code of Conduct was adopted to enhance public trust and confidence in the integrity of LAUSD's decision-making process. This Code is premised on three concepts:

- *Ethical and responsible use of scarce public tax dollars is a critical underpinning of effective government*
- *Contracting integrity and quality of service are the shared responsibilities of LAUSD and our Contractors*
- *Proactive and transparent management of potential ethics concerns improves public confidence*

This Code sets forth the ethical standards and requirements that all Contractors and their Representatives shall adhere to in their dealings with or on behalf of LAUSD. Failure to meet these standards could result in sanctions including, but not limited to, avoidance of current or future contracts.

1. Contractors

All LAUSD Contractors and their Representatives are expected to conduct any and all business affiliated with LAUSD in an ethical and responsible manner that fosters integrity and public confidence. A "Contractor" is any individual, organization, corporation, sole proprietorship, partnership, nonprofit, joint venture, association, or any combination thereof that is pursuing or conducting business with and/or on behalf of LAUSD, including, without limitation, consultants, suppliers, manufacturers, and any other vendors, bidders or proposers. A Contractor's "Representative" is also broadly defined to include any subcontractors, employees, agents, or anyone else who acts on a Contractor's behalf.

2. Mission Support

LAUSD relies on Contractors and their Representatives to support our LAUSD mission statement of *"educating students to a higher level of achievement that will enable them to be responsible individuals and productive members of the greater society."* Contractors and their Representatives must provide high-value products, services and expertise which advance LAUSD's mission or provide mission-related benefits that support our goals for the students, employees, stakeholders, and the communities we serve.

3. Ethical Responsibilities

All LAUSD contracts must be developed and maintained within an ethical framework. LAUSD seeks to promote public trust and confidence in our contracting relationships and we expect every individual, regardless of position or level of responsibility, who is associated with an LAUSD procurement process or contract, to commit to exemplifying high standards of conduct in *all phases* of any relationship with LAUSD.

Given that the business practices and actions of Contractors and their Representatives may impact or reflect upon LAUSD, strict observance with the standards in this Code, all applicable local, state and federal laws, and any other governing LAUSD policies or agreements is not only a minimum requirement for all Contractors and their Representatives, but an ethical obligation as well.

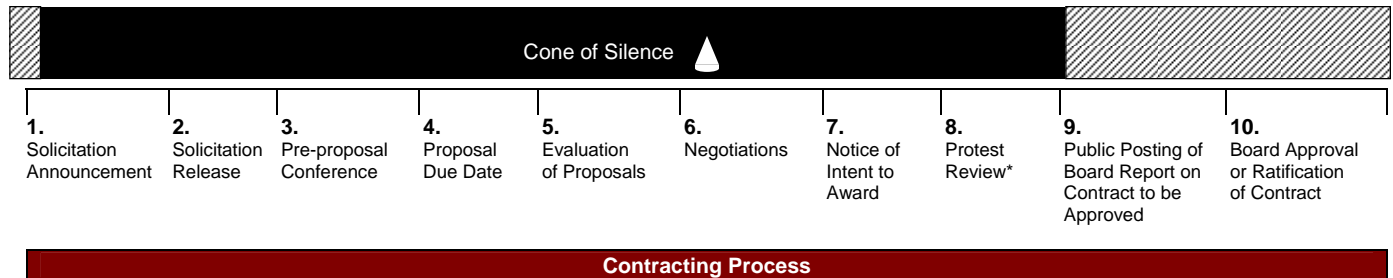
In addition to any specific obligations under a Contractor's agreement with LAUSD, all Contractors and their Representatives shall comply with the following requirements:

- A. *Demonstrate Honesty and Integrity* – Contractors shall adhere to the highest standards of honesty and integrity in all their dealings with and/or on behalf of LAUSD. As a general rule, Contractors must

exercise caution and avoid *even the appearance of impropriety or misrepresentation*. All communications, proposals, business information, time records, and any other financial transactions must be provided truthfully, accurately, and completely.

- B. *Be a Responsible Bidder* – Contractors shall demonstrate a record of integrity and business ethics in accordance with all policies, procedures, and requirements established by LAUSD.
- (1) *Critical Factors* – In considering a Contractor’s record of integrity and business ethics, LAUSD may consider factors including, but not limited to: criminal investigations, indictments, injunctions, fines, convictions, administrative agreements, suspensions or debarments imposed by other governmental agencies, tax delinquencies, settlements, financial solvency, past performance, prior determinations of failure to meet integrity-related responsibilities, and violations by the Contractor and its Representatives of any LAUSD policies and Codes in prior procurements and contracts. LAUSD reserves the right to reject any bid, proposal and contract, and to impose other sanctions against Contractors who fail to comply with our district policies and requirements, or who violate the prohibitions set forth below in Section 6, Prohibited Activities.
- C. *Maintain the Cone of Silence* – Contractors shall maintain a Cone of Silence during required times of the contracting process to ensure that the process is shielded from even the appearance of undue influence. Contractors and their Representatives risk disqualification from consideration and/or other penalties outlined in Section 8, Enforcement Provisions, if they engage in prohibited communication during the restricted period(s).
- (1) *Competitive Contracting Process* – To ensure a level playing field with an open and uniform *competitive* contracting process, Contractors and their Representatives must maintain a Cone of Silence from the time when an Invitation for Bid (IFB), Request for Proposal (RFP), Request for Interest and Bid (RFIB), Request for Quote, Request for Qualification, or any other solicitation release is announced until the time a contract award recommendation is made public by the Board Secretariat’s posting of the board report for the contract to be approved. During the time under the Cone of Silence, Contractors and their Representatives are prohibited from making any contact on any part of a proposal, negotiation or contract with any LAUSD official as this could appear to be an attempt to curry favor or influence. An “LAUSD official” is broadly defined to include “any board member, employee, consultant or advisory member of LAUSD” who is involved in making recommendations or decisions for LAUSD.

Schematic of LAUSD’s Competitive Contracting Process (Illustrative Only)



▨ Lobbying in this period may require registration and disclosure in LAUSD’s Lobbying Disclosure Program, if the triggers are met.

* Note: Protests can sometimes extend past the contract approval process

- (a) *Prohibited Communication* – Examples of prohibited communication by Contractors and their Representatives under the Cone of Silence include, but are not limited to:
- (i) contact of LAUSD Officials, including members of the department initiating a contract, or members who will serve on an evaluation team for any contract information that is not uniformly available to all other bidders, proposers or contractors;
 - (ii) contact of LAUSD Officials, including Board Members and their staff, to lobby on any aspect relating to a contract matter under consideration, negotiation, protest or dispute;
 - (iii) contact of LAUSD Officials in the particular department requesting a competitive contract to discuss other business or partnership opportunities.
- (b) *Exceptions* – The following are exceptions to the Cone of Silence:

- (i) open and uniform communications which are made as part of the procurement process such as the pre-bid or pre-proposal meetings or other exchanges of information which are given to all proposers;
 - (ii) interviews or presentations to evaluation committee members which are part of the procurement process;
 - (iii) clarification requests made in writing, under the terms expressly allowed for in an LAUSD contracting document, to the appropriate designated contract official(s);
 - (iv) negotiations with LAUSD's designated negotiation team members;
 - (v) protests which follow the process outlined by LAUSD's protest policies and procedures; and
 - (vi) requests for technical assistance approved by LAUSD contract officials (for example questions relating to LAUSD's Small Business Enterprise Program, or requests for formal guidance on ethics matters from the Ethics Office).
- (2) Non-Competitive Contracting Process – To ensure the integrity of the non-competitive contracting process, Contractors and their Representatives must maintain a Cone of Silence from the time when a proposal is submitted to LAUSD until the time the contract is fully executed. During this designated time, Contractors and their Representatives are prohibited from making any contact with LAUSD officials on any of the terms of the contract under consideration as this could appear to be an attempt to curry improper favor or influence. The only exceptions to this Cone of Silence are clarification requests made with the Contract Sponsor or the appropriate designated contract official(s) in the Procurement Services Group or Facilities Contracts Branch.

Examples of Maintaining the Cone of Silence

- (3) Mai Vien Da is the CEO of a firm that wants to do business with LAUSD. She is at a party when she sees the head of the LAUSD division that has just issued an RFP that her company is interested in bidding on.

Mai can say "hello," but she must not discuss her proposal or the contracting process at all with the division head.

- (4) Mai is also interested in having her sales team meet with LAUSD officials district-wide to promote her firm's services, so that they can sell work on smaller projects that do not need to be competitively bid.

Mai and her employees may attempt to meet with district officials to discuss potential services outside of a competitive process, but she needs to recognize that her marketing activities may require her to register her firm and her employees in LAUSD's Lobbying Disclosure Program. (See Section 5, Disclosure Obligations).

- D. *Manage Potential Conflicts* – Contractors shall disclose all potential or actual conflicts to LAUSD on an ongoing basis with a Meaningful Conflict Disclosure. A "Meaningful Conflict Disclosure" is a written statement to LAUSD which lays out full, accurate, timely, and understandable information with regard to any potential conflicts involving Contractors and their work for LAUSD. The specific requirements for a Meaningful Conflict Disclosure are set forth in Section 3.D.(2) below. LAUSD relies on these proactive disclosures by Contractors to manage potential conflicts before they become actual conflicts of interest. A potential for conflict is present whenever a situation arises which creates a real or apparent advantage or a competing professional or personal interest for a Contractor. Such situations become conflicts of interest, if appropriate safeguards are not put into place. Examples of potential or actual conflicts include, but are not limited to situations when:
- a financial relationship (income, stocks, ownership, investments, loans, excessive gifts, etc.) or close personal relationship exists or has existed between a Contractor or its Representatives and a LAUSD official;
 - a financial or close personal relationship exists between any officers, directors or key employees of a Contractor or its Representatives and a LAUSD official;
 - a prior, current or potential employment relationship exists between a Contractor or its Representatives and a current or former LAUSD official;
 - an overlap exists between work that a Contractor or its Representative performs or has performed for LAUSD and work he or she will perform on behalf of another client; or

- an opportunity arises in which a Contractor or its Representative can make a governmental decision within the scope of LAUSD contractual duties that impacts his or her personal financial interests or relationships,

Contractors and their Representatives have a *continuing* obligation to advise LAUSD proactively of any potential conflicts which may arise relating to a contract.

- (1) State Conflict Standards – LAUSD is generally prohibited by California’s Political Reform Act (Government Code Section 87100) and Government Code Section 1090 from contracting with Contractors if the Contractors, their Representatives, their officers, or any household member of the preceding serve LAUSD in any way in developing, awarding, or otherwise participating in the making of the same contract.

California law also governs situations in which there has been a financial interest between a Contractor and a public official within a 12-month window leading up to a governmental decision. It does not matter whether the impact of an existing relationship is beneficial or detrimental to the interests of the Contractors, their Representatives, or the public agency. Moreover, Government Code Section 1090 defines “making a contract” broadly to include actions that are preliminary or preparatory to the selection of a Contractor such as but not limited to: involvement in the reasoning, planning, and/or drafting of scopes of work, making recommendations, soliciting bids and requests for proposals, and/or participating in preliminary discussions or negotiations.

Any contract made in violation of Section 1090 is void and cannot be enforced. When Section 1090 is violated, a government agency is not obligated to pay the Contractor for any goods or services received under the void contract. In fact, the agency can also seek repayment from the Contractor of any amounts already paid and the agency can refer the matter to the appropriate authorities for prosecution.

- (2) Meaningful Conflict Disclosure – Contractors shall provide a meaningful disclosure of all potential and actual conflicts in a written statement to the LAUSD Contract Sponsor, the Ethics Office and the contracting contact from the Procurement Services Group/or the Facilities Contracts Branch. This disclosure requirement is a continuing duty on all Contractors. At a minimum, a Meaningful Conflict Disclosure must identify the following:
 - (a) names and positions of all relevant individuals or entities;
 - (b) nature of the potential conflict, including specific information about the financial interest or relationship; and
 - (c) a description of the suggested remedy or safeguard for the conflict.
- (3) Resolution of Conflicts – When necessary, LAUSD will advise Contractors on how a disclosed conflict should be managed, mitigated or eliminated. The Contract Sponsor, in consultation with the Procurement Services Group/Facilities Contracts Branch, the Ethics Office, and the Office of the General Counsel, shall determine necessary actions to resolve any of the Contractors’ disclosed conflict(s). When it is determined that a conflict must be addressed, a written notification will be made to the Contractor, indicating the actions that the Contractor and LAUSD will need to take to resolve the conflict.

Examples of Managing Potential Conflicts

- (4) Rhoda Warrior is a consultant from Global Consulting Firm. She has been assigned by her firm to do work for a particular LAUSD department. Although she does not directly work with him, her husband, Antonio, is one of the senior officials in that department.

Global Consulting must disclose this potential problem via a Meaningful Conflict Disclosure to LAUSD. Depending on the exact nature of her work within that department, Global Consulting and the LAUSD Contract Sponsor may need to take steps to safeguard Rhoda’s work from any actual conflict of interest.

- (5) Amartya Singh is a HR consultant from the Tip Top Talent Agency whose firm is providing temporary support to help LAUSD improve its recruitment efforts. Amartya is himself serving as acting deputy director for the HR division, and in that capacity has been asked to review and approve all bills for the department. In doing his work, Amartya comes across a bill for the Tip Top Talent Agency which requires approval.

Tip Top Talent Agency must disclose the conflict and work with LAUSD to ensure that someone more senior or external to Amartya's chain-of-command is the one that reviews, evaluates, or approves bills relating to Tip Top Talent Agency. Even if Amartya decides to quit Tip Top Talent to join LAUSD, he cannot be involved with matters relating to Tip Top Talent until 12 months have passed from the date he received his last payment from the firm.

- (6) Greta Planner is a technology consultant that has been hired to design all the specifications for a group of new technology labs. One of the services that Greta will be specifying is an automated wireless projection system. As it turns out, Greta owns direct stock in a firm that manufactures these types of projection systems.

Greta's direct stock ownership constitutes a financial interest in that company. She must disclose the potential conflict right away in writing to the LAUSD Contract Sponsor, so that the appropriate safeguards can be put in place to prevent any actual conflict.

- E. *Provide Contracting Excellence* – Contractors are expected to deliver high quality, innovative and cost-effective goods and services to LAUSD, so that the public is served with the best value for its dollars.
- F. *Promote Ethics Standards* – Contractors shall be responsible for ensuring that their Representatives, regardless of position, understand and comply with the duties and requirements outlined in this Code and to ensure that their behavior, decisions, and actions demonstrate the letter and spirit of this Code. Contractors may draw upon the resources provided by LAUSD, including but not limited to those made available by the Ethics Office, the Procurement Services Group, and the Facilities Contracts Branch. Such training resources and additional information about LAUSD policies can be found on LAUSD's website (www.lausd.net).
- G. *Seek Advice* – Contractors are expected and encouraged to ask questions and seek formal guidance regarding this Code or other aspects of responsible business conduct from the LAUSD Ethics Office whenever there is a doubt about how to proceed in an ethical manner. A Contractor's proactive management of potential ethics concerns is necessary and vital since this Code does not seek to address or anticipate all the issues that may arise in the course of seeking or doing business with LAUSD.

Example of Seeking Advice

- (1) Abe Iznismann is President of Accelerated Sciences, a new company that makes supplemental teaching tools in the sciences. Over the summer, Abe hired Grace Principle, a seasoned LAUSD administrator who now works in teacher recruitment, to consult with Accelerated Sciences in developing a cutting-edge learning tool. Originally, the company planned to sell the products only to schools in other states, but now it wants to sell the products in California and possibly to LAUSD. Abe wants to work with Grace to develop a win-win strategy for offering the new tools to LAUSD at a discount.

Accelerated Sciences needs to be very careful to ensure that Grace is not involved in any aspect relating to selling the product to LAUSD, especially since Grace has a financial interest with the firm. Remember, under California law, the mere existence of a financial interest creates a concern that will cause the good faith of any acts to be questioned, no matter how conscientious the individuals. Before undertaking any effort to sell to LAUSD, Abe or another manager at Accelerated Sciences should seek out advice on other safeguarding measures to ensure that their good intentions do not inadvertently create a bad outcome for the firm or Grace.

4. Relationship Management

LAUSD expects Contractors and their Representatives to ensure that their business dealings with and/or on behalf of LAUSD are conducted in a manner that is above reproach.

- A. *Employ Good Practices* – Contractors and their Representatives shall conduct their employment and business practices in full compliance with *all* applicable laws, regulations and LAUSD policies, including but not limited to the following:

- (1) Equal Employment Opportunity – Contractors shall ensure that there is no discrimination in hiring due to race, color, religious creed, national origin, ancestry, marital status, gender, sexual orientation, age, or disability.
 - (2) Health and Safety – Contractors shall provide a safe and healthy work environment and fully comply with all applicable safety and health laws, regulations, and practices.
 - (3) Drug Free Environment – Contractors shall ensure that there is no manufacture, sale, distribution, possession or use of illegal drugs or alcohol on LAUSD-owned or leased property.
 - (4) No Harassment – Contractors shall not engage in any sexual or other harassment, physical or verbal abuse, or any other form of intimidation.
 - (5) Sweat-Free Conditions – Contractors shall ensure that no child and/or forced or indentured labor is used in their supply chain. Contractors shall require that all goods provided to LAUSD are made in compliance with the governing health, safety and labor laws of the countries of origin. Additionally, Contractors shall ensure that workers are free from undue risk of physical harm or exploitation and receive a non-poverty wage.
- B. *Use Resources Responsibly* – Contractors and their Representatives shall use LAUSD assets for LAUSD business-related purposes only unless given written permission for a specific exception by an authorized LAUSD official. LAUSD assets include: time, property, supplies, services, consumables, equipment, technology, intellectual property, and information.
- C. *Protect Confidentiality* – Contractors and their Representatives shall protect and maintain confidentiality of the work and services they provide to LAUSD. All communications and information obtained in the course of seeking or performing work for LAUSD should be considered confidential. No confidential information relating to LAUSD should ever be disclosed without express authorization by LAUSD in writing, unless otherwise legally mandated.
- D. *Guard the LAUSD Affiliation* – Contractors and their Representatives shall be cautious of how they portray their relationship with LAUSD to the Public. Communications on behalf of LAUSD can only be made when there is express written permission by an LAUSD official authorized by LAUSD’s Office of General Counsel.
- (1) LAUSD Name and Marks – Contractors shall ensure that all statements, illustrations or other materials using or referencing LAUSD or its marks and logos—including the names and logos of any of our sub-divisions, and/or any logos created by and for LAUSD—receive advance review and written approval of the relevant LAUSD division head prior to release or use.
 - (2) Commercial or Advertising Message – Contractors shall ensure that no commercial or advertising message, or any other endorsements—express or implied—are suggested or incorporated in any products, services, enterprises or materials developed for/or relating to LAUSD unless given written permission to do otherwise by LAUSD’s Board of Education.
- E. *Respect Gift Limits* – Contractors and their Representatives shall abide by LAUSD’s gift limits and use good judgment, discretion and moderation when offering gifts, meals or entertainment or other business courtesies to LAUSD officials, so that they do not place LAUSD officials in conflict with any specific gift restrictions:
- (1) No Contractor or their Representative shall offer, give, or promise to offer or give, directly or indirectly, any money, gift or gratuity to any LAUSD procurement official at any time.
 - (2) No Contractor or their Representative shall offer or give, directly or indirectly, any gifts in a calendar year to an LAUSD Official which exceed LAUSD’s allowable gift limit.

Example of Respecting Gift Limits

- (3) It’s the holidays and Sue Tienda, a Contractor, wants to take a few LAUSD officials out to lunch and to provide them with gift baskets as a token of thanks for the work they have done together.

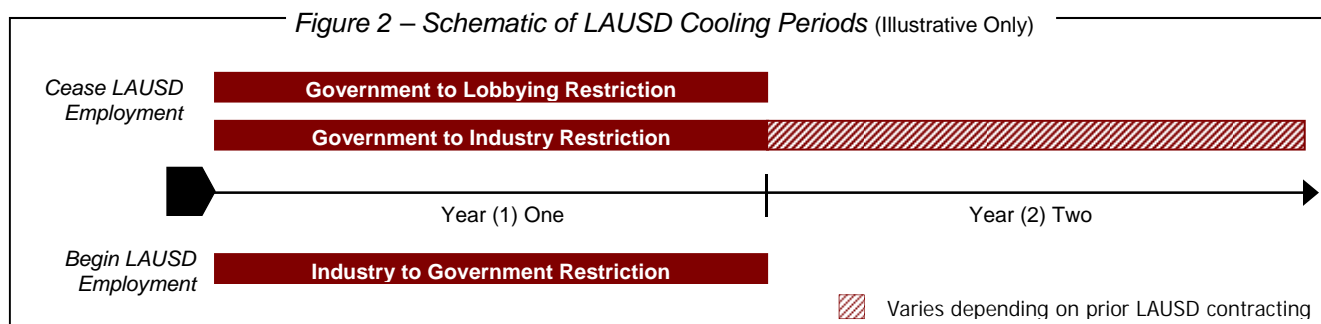
Assuming Sue is not attempting to take out any procurement officials (since they observe a zero tolerance policy on gifts), Sue needs to respect the Board-established gift limit for LAUSD officials. Sue should also be aware that giving a gift totaling over \$50 in a year to LAUSD officials will create a reporting responsibility for the officials, if they are designated Form 700 Statement of

Economic Interest filers. Additionally, if there is a procurement underway involving Sue or her firm, she should not give gifts to the LAUSD officials who are part of the evaluation process until the contract is awarded. Finally, Sue may also want to keep in mind that a nice personalized thank-you note can pack quite a punch!

Anyone doing business with LAUSD shall be charged with full knowledge that LAUSD’s contracting decisions are made based on quality, service, and value. LAUSD does not seek any improper influence through gifts or courtesies.

- F. *Observe Cooling Periods* – Contractors and their Representatives shall observe and maintain the integrity of LAUSD’s Cooling Periods. A “Cooling Period” is a mechanism used by public agencies and private organizations across the country to ensure that no unfair competitive advantage is extended due to the hiring of current or former employees. Allowing for some time to pass before a former official works on matters related to their prior agency or a new official works on matters related to their prior employer helps to mitigate concerns about the appearance of a “revolving door” where public offices are sometimes seen to be used for personal or private gain.

Contractors shall certify that they are upholding LAUSD’s revolving door provisions as part of the contracting process. In their certification, Contractors shall detail the internal firewalls that have been put in place to preserve LAUSD’s cooling periods. As with other public agencies, LAUSD observes three key types of cooling periods for safeguarding the critical transitions between public service and private industry:



- (1) **Government to Lobbying Restriction (One-Year Cooling Period)** – LAUSD will not contract with any entity that compensates a former LAUSD official who lobbies LAUSD before a one (1) year period has elapsed from that official’s last date of employment

Example of Lobbying Restriction

Ace Impact Group wants to hire Joe Knowsfolks, a former LAUSD official, to help the company cultivate new business opportunities with LAUSD and arrange meetings with key LAUSD officials.

To avoid the possibility of unfair advantage or improper influence, Ace Impact Group is prohibited from utilizing Joe to contact anyone at LAUSD on their behalf until at least one year has passed from Joe’s last date of employment. Joe may help Ace lobby other public entities, but Joe cannot communicate with anyone at LAUSD, either in person or in writing, on behalf of his new company.

- (2) **Government to Industry Restriction**
 - (a) **Insider Advantage Restriction (One-Year Cooling Period)** – LAUSD will not contract with any entity that compensates any current or former LAUSD official to work on a matter with LAUSD, if that official, within the preceding 12 months, held a LAUSD position in which they personally and substantially participated in that matter.

Example of Insider Advantage Restriction

Risky Business is a small boutique firm that helps public agencies, including LAUSD, develop strategies for managing and overcoming their unfunded liability. Risky Business wants to extend an offer of employment to Nooriya, a LAUSD official, whose previous responsibilities included advising LAUSD's Board and management on the issue of the district's unfunded liability.

As part of its certification, Risky Business needs to identify what safeguards it will have in place to ensure that Nooriya's work for them does not include matters relating to her prior LAUSD responsibilities for at least one year from when she left her LAUSD job. Given that "matters" include broad policy decisions, the general rule of thumb for avoiding any insider advantage is to have former LAUSD officials steer clear of LAUSD work for a year.

- (b) Contract Benefit Restriction (Two-Year Cooling Period) – LAUSD will not contract with any entity that employs any current or former LAUSD official who within the preceding two (2) years, substantially participated in the development of the contract's RFP requirements, specifications or any part of the contract's procurement process, if the official will perform any services for the Contractor relating to LAUSD on that contract.

Example of Contracting Benefit Restriction

Technology Advances has just won a big contract with LAUSD and is looking for talent to help support the company's growing work load. The firm wishes to hire some LAUSD employees: Aisha, a LAUSD technology official, her deputy Raj who was the individual who oversaw LAUSD's contracting process with Technology Advances, and Linda, an engineer who was on the evaluation committee that selected Technology Advances.

If Technology Advances hires any of these individuals, none may perform any work for the firm relating to this LAUSD work until two years have elapsed from the date that the contract was fully executed. This case is a good example of how the cooling period seeks to ensure that there is no benefit resulting from a public official's awarding of a contract. All of the LAUSD employees in this example would be considered to have substantially participated in the contract – Raj due to his direct work, Linda due to her role evaluating the bid proposals, and Aisha due to the fact that supervising both employees is a part of her official responsibility. Technology Advances should consider the implications before hiring individuals involved with their LAUSD contracting process.

- (3) Industry to Government Restriction (One-Year Cooling Period) – In accordance with California law, Contractors and/or their Representatives who act in the capacity of LAUSD officials shall be disqualified from making any governmental decisions relating to a personal financial interest until a 12-month period has elapsed from the time the interest has been disposed or severed.

Example of Industry to Government Restriction

Sergei Konsultantov is an outside contractor that has been hired to manage a major reorganization project for LAUSD. Sergei is on the Board of Directors for several companies who do business with LAUSD.

Sergei must not participate in any governmental decisions for LAUSD relating to any private organization for whom he has served as an employee, officer, or director, even in an unpaid capacity, if less than 12 months has passed since he held such a status. Sergei should contact the Ethics Office before starting his work to put a formal disqualification into effect and to seek out any other ethical safeguards he should have in place.

- (4) In rare and unusual circumstances, LAUSD's General Superintendent or his/her designee upon a showing of good cause may waive the Insider Advantage Restriction in writing with notification to the Board of Education, *prior* to approving a contract or its amendment.

- G. *Safeguard Prospective Employment Discussions* – Contractors and their Representatives shall safeguard any prospective employment discussions with current LAUSD officials, especially when the official is one who may participate “personally and substantially” in a matter relating to the Contractor.

Example of Safeguarding an Employment Offer

- (1) Audit Everything, a firm that does work for LAUSD, has been really impressed by Thora Revue, an audit manager that oversees some of their audits. Audit Everything is interested in having Thora work for their firm.

Before Audit Everything begins any prospective discussions with Thora, they should let her supervisor know of their interest and ask what safeguards need to be put in place. For example, if Thora does not outright reject the idea and is instead interested in entertaining the offer, she and her manager will have to work with the Ethics Office to put into effect a disqualification from any further involvement relating to the Contractor before any actual employment discussions are allowed to proceed. Any Contractor who engages in employment discussions with LAUSD officials before a disqualification has been completed is subject to the penalties outlined in this Code.

- H. *Conduct Political Activities Privately* – Contractors and their Representatives shall only engage in political support and activities in their own personal and voluntary capacity, on their own time, and with their own resources.
- I. *Make Philanthropy Voluntary* – Contractors and their Representatives shall only engage in philanthropic activities relating to LAUSD on their own time and with their own resources. LAUSD views philanthropic support as a strictly voluntary opportunity for Contractors to demonstrate social responsibility and good citizenship. No expressions of support should be construed to have a bearing on current or future contracts with LAUSD. And no current or potential contracting relationship with LAUSD to provide goods or services is contingent upon any philanthropic support from Contractors and their Representatives, unless otherwise designated as part of a bid or proposal requirement in an open, competitive contracting process to solicit a specific type of support.
- (1) *Guidelines for Making a Gift to a Public Agency* – Contractors who wish to provide philanthropic support to LAUSD shall abide by the ethical and procedural policies and requirements established by LAUSD which build upon the “Gifts to an Agency” requirements established in California’s Code of Regulations Section 18944.2. For outside entities to make a gift or payment to LAUSD in a manner that maintains public integrity, the following minimum requirements must be met:
- (a) LAUSD must receive and control the payment;
 - (b) LAUSD must use the payment for official agency business;
 - (c) LAUSD, in its sole discretion, must determine the specific official or officials who shall use the payment. The donor may identify a specific purpose for the agency’s use of the payment, so long as the donor does not designate the specific official or officials who may use the payment; and
 - (d) LAUSD must have the payment memorialized in a written public record which embodies the requirements of the above provisions and which:
 - Identifies the donor and the official, officials, or class of officials receiving or using the payment;
 - Describes the official agency use and the nature and amount of the payment;
 - Is filed with the agency official who maintains the records of the agency’s Statements of Economic Interests (i.e. the Ethics Office); and
 - Is filed as soon as possible, but no later than 30 days of receipt of the payment by LAUSD.

5. Disclosure Obligations

LAUSD expects Contractors and their Representatives to satisfy the following public disclosure obligations:

- A. *Identify Current and Former LAUSD Officials* – To ensure against conflict or improper influence resulting from employment of current or former LAUSD employees, Contractors and their Representatives shall disclose any of their employees, subcontractors or consultants who within the last three years have been or are employees of LAUSD. The disclosure will be in accordance with LAUSD guidelines and will include at a minimum the name of the former LAUSD employee(s), a list of the LAUSD positions the person held in the last three years, and the dates the person held those positions. Public agencies that provide contract services are not subject to this requirement.
- (1) In rare and unusual circumstances, LAUSD’s General Superintendent or his/her designee upon a showing of good cause may waive this disclosure requirement in writing with notification to the Board of Education, *prior* to approving a contract or its amendment.
- B. *Be Transparent about Lobbying* – Contractors and their Representatives shall abide by LAUSD’s *Lobbying Disclosure Code* and register and fulfill the associated requirements, if they meet the trigger(s). LAUSD’s lobbying policy seeks to enhance public trust and confidence in the integrity of LAUSD’s decision-making process by providing transparency via a public record of the lobbying activities conducted by individuals and organizations. A “lobbying activity” is defined as any action taken with the principal purpose of supporting, promoting, influencing, modifying, opposing, delaying or advancing any rule, resolution, policy, program, contract, award, decision, or other proposal under consideration by LAUSD officials.

For further information on LAUSD’s lobbying policy, Contractors and their Representatives shall review the resource materials available on the Ethics Office website (www.lausd.net/ethics). Failure to comply with LAUSD’s Lobbying Disclosure Code can result in fines and sanctions including debarment from contracting with LAUSD.

- C. *Fulfill the State-Mandated Statement of Economic Interests (“Form 700”) Filing Requirement* – Contractors and their Representatives shall abide by the financial disclosure requirements of California’s Political Reform Act (Gov. Code Section 81000-91015). Under the Act, individual Contractors and their Representatives may be required to disclose economic interests that could be foreseeably affected by the exercise of their public duties in a disclosure filing called the Statement of Economic Interests or Form 700. A Form 700 serves as a tool for aiding public officials at all levels of government to ensure that they do not make or participate in making, any governmental decisions in which they have an interest.

(1) *Applicability* – Under the law, individual Contractors and their Representatives are considered public officials and need to file a Form 700 as “consultants”, if the services they are contracted to provide fit the triggers identified by the Political Reform Act. Meeting either of the test triggers below requires a Contractor’s Representative(s) to file a Form 700:

- (a) *Individual Makes Governmental Decisions* – Filing is required if an individual is involved in activities or decision-making such as: obligating LAUSD to any course of action; authorizing LAUSD to enter into, modify, or renew a contract; granting approval for contracts, plans, designs, reports, studies or other items; adopting or granting approval on policies, standards or guidelines for any subdivision of LAUSD; or negotiating on behalf of LAUSD without significant intervening review.
- (b) *Individual Participates in the Making of Governmental Decisions for LAUSD and Serves in Staff-like Capacity* – Filing is also required if an individual is performing duties for LAUSD on a continuous or ongoing basis extending beyond one year such as: advising or making recommendations to LAUSD decision makers without significant intervening review; conducting research or an investigation; preparing a report or analysis which requires the individual to exercise their judgment; or performing duties similar to an LAUSD staff position that is already designated as a filer position in *LAUSD’s Conflict of Interest Code*.

(2) *Filing Timelines* – Individuals who are legally required to complete a Statement of Economic Interests form must submit a filing:

- (a) upon commencement of work with LAUSD,
- (b) on an ongoing basis thereafter in accordance with the April 1st annual deadline, and
- (c) upon termination of work with LAUSD.

(3) Process – Contractors and their Representatives shall coordinate with their LAUSD Contract Sponsor(s) to ensure that they meet this state mandate in the manner required by law. Form 700s must be received by the LAUSD Ethics Office to be considered properly filed in accordance with the Political Reform Act.

(4) Disqualifications – Individuals who must file financial disclosure statements are subject to the requirements of the Political Reform Act as is the case with any other “public official” including disqualification when they encounter decision-making that could affect their financial interests. Contractors and their Representatives shall be responsible for ensuring that they take the appropriate actions necessary, so as not to violate any aspect of the Act.

Examples of Form 700 Filers and Non-Filers

(5) Maria Ley is an attorney for the firm of Legal Eagles which serves as outside counsel to LAUSD. In her capacity as outside counsel, Maria provides ongoing legal services for LAUSD and as such participates in the making of governmental decisions. Maria’s role involves her in advising or making recommendations to government decision-makers and also gives her the opportunity to impact decisions that could foreseeably affect her own financial interests.

Maria would be considered a consultant under the Political Reform Act and would need to file a Form 700.

(6) The Research Institute has been hired by LAUSD to do a major three-year policy study which will help LAUSD decide the shape and scope of a major after-school tutoring initiative, including the total funding that should be allocated. As part of the Institute’s work, their researchers will help LAUSD design and decide on some additional contracts for supplemental survey research. The Institute knows that all the principal researchers on their team will have to be Form 700 filers because their work is ongoing and will influence LAUSD’s governmental decision. However, the Institute is unsure of whether their trusty secretary, Bea Addman, would have to be a filer.

Bea does not need to file. Even though she will be housed at LAUSD for the three years and act in a staff-like capacity, she will provide clerical support primarily and will not participate in making any governmental decisions.

(7) Bob Builder works for a construction company that will be supporting LAUSD’s school-building initiative on a continuous basis. Bob will direct activities concerning the planning and construction of various schools facilities, coordinate land acquisition, supervise teams, set policies, and also prepare various budgets for LAUSD.

Bob meets the trigger defined under the law because as part of the services he will provide, he has the authority to affect financial interests and commit LAUSD to government actions at his discretion. Additionally, in his role, he will be performing essentially the same tasks as an LAUSD Facilities Project Manager which is a position that is already designated in LAUSD’s Conflict of Interest Code. Therefore, Bob is required to file a Form 700.

6. Prohibited Activities

A Contractor, its Representative(s) and all other agent(s) acting on its behalf are prohibited from engaging in the following activities:

GENERAL PROHIBITIONS

- A. *Acting in a manner that would be reasonably known to create or lead to a perception of improper conduct that could result in direct or indirect damage to LAUSD or our reputation*
- B. *Acting with the purpose or intent of placing an LAUSD official under personal obligation to any Contractor or its Representatives*
- C. *Conducting business with or on behalf of LAUSD in a manner that would be reasonably known to create or lead to a perception of self-dealing*
- D. *Conducting work on behalf of another client on a matter that would be reasonably seen as in conflict with work performed for LAUSD*

- E. *Disclosing any proprietary or confidential information, including employee or student health information, about LAUSD, our employees, students, or contractors to anyone not authorized by a written LAUSD re-disclosure agreement to receive the information*
- F. *Knowingly deceiving or attempting to deceive an LAUSD official about any fact pertaining to any pending or proposed LAUSD decision-making*
- G. *Making or arranging for any gift(s) or gratuities that violate LAUSD's policies, including:*
 - (1) Providing any gifts at all to a procurement employee;
 - (2) Providing any gifts in excess of LAUSD's gift limit in a calendar year to any LAUSD official or to a member of his/her household; and
 - (3) Providing gifts without the necessary public disclosure when disclosure is required
- H. *Offering any favor, gratuity, or kickback to an LAUSD official for awarding, modifying, or providing preferential treatment relating to an LAUSD contract*
- I. *Receiving or dispersing compensation contingent upon the defeat, enactment, or outcome of any proposed policy or action*
- J. *Taking any action to circumvent LAUSD's system of controls or to provide misleading information on any documents or records*
- K. *Using LAUSD assets and resources for purposes which do not support LAUSD's work*
- L. *Using LAUSD provided technology or systems to create, access, store, print, solicit or send any material that is false, derogatory, malicious, intimidating, harassing, threatening, abusive, sexually explicit or otherwise offensive*
- M. *Violating or counseling any person to violate any provisions of LAUSD's Contractor Code of Conduct, Lobbying Disclosure Code, Employee Code of Ethics, and/or any other governing state or federal laws*

CONTRACTING PROHIBITIONS

- N. *Dealing directly with an LAUSD official who is a close relative or cohabitant with a Contractor or its Representatives in the course of negotiating a contracting agreement or performing a Contractor's obligation*
 - (1) For the purposes of this policy, close relatives shall be defined as including spouse, sibling, parent, grandparent, child, and grandchild. Cohabitants shall be defined as persons living together.
- O. *Engaging in prohibited communication with LAUSD officials during the Cone of Silence time period(s) of the contracting process*
 - (1) In a competitive contracting process, the Cone of Silence begins from the time when an Invitation for Bid (IFB), Request for Proposal (RFP), Request for Interest and Bid (RFIB), Request for Quote, Request for Qualification, or any other solicitation release is announced by LAUSD until the time a contract award recommendation is made public by the Board Secretariat's posting of the board report for the contract to be approved.
 - (2) In a non-competitive contracting process, the Cone of Silence begins at the time when a proposal is submitted to LAUSD until the time the contract is fully executed.
- P. *Employing any current or former LAUSD employee to perform any work prohibited by the "Cooling Periods" defined in Section 4F of this Code*
- Q. *Making or participating in the making of governmental decisions on behalf of LAUSD when a Contractor or its Representatives has an existing financial interest that is prohibited under the law*
- R. *Making any substitution of goods, services, or talent that do not meet contract specifications without prior approval from LAUSD*
- S. *Making false charges on claims for payment submitted to LAUSD in violation of the California False Claims Act, Cal. Government Code §§ 12650-12655*

- T. *Requesting, attempting to request, or accepting—either directly or indirectly—any protected information regarding present or future contracts before the information is made publicly available at the same time and in the same form to all other potential bidders*
- U. *Submitting a bid as a proposer or sub-proposer on a particular procurement after participating in its development (e.g. identifying the scope of work, creating solicitation documents or technical specifications, developing evaluation criteria, and preparing contractual instruments)*

LOBBYING PROHIBITIONS

- V. *Engaging in any lobbying activities without the appropriate disclosure, if the registration trigger has been met*
- W. *Lobbying on behalf of LAUSD, if a Contractor or its Representatives is lobbying LAUSD officials.*
 - (1) Any person or entity who receives compensation to lobby on behalf of or otherwise represent LAUSD, pursuant to a contract or sub-contract, shall be prohibited from also lobbying LAUSD on behalf of any other person or entity for compensation as this would be considered a conflict of interest.

7. Issues Resolution

Early identification and resolution of contracting or other ethical issues that may arise are critical to building public trust. Whenever possible, it is advisable to initiate the issue resolution process proactively, either with the designated contracting contact if the issue arises during the contracting process, or with the Contract Sponsor in the case of an active contract that is being carried out. It is always appropriate to seek out the Procurement Services Group or the Facilities Contracts Branch to resolve an issue, if another alternative is not possible. Formal disputes regarding bid solicitations or contract awards should be raised and addressed in accordance with LAUSD policy where such matters will be given full, impartial, and timely consideration.

8. Enforcement Provisions

While Contractors and their Representatives are expected to self-monitor their compliance with this Contractor Code of Conduct, the provisions of this Code are enforceable by LAUSD. Enforcement measures can be taken by LAUSD's Procurement Services Group or Facilities Contracts Branch in consultation with the Contract Sponsor, the Ethics Office, the Office of the General Counsel, and the Office of the Inspector General. The Office of the Inspector General may also refer matters to the appropriate authorities for further action.

- A. *Report Violations* – Good faith reporting of suspected violations of the Contractor Code of Conduct is encouraged. Reports of possible violations should be made to the Office of the Inspector General where such reports will be investigated and handled with the level of confidentiality that is merited and permitted by law. No adverse consequences will result to anyone as a result of making a good faith report.
- B. *Cooperate on Audits and Investigations* – Contractors and their Representatives shall cooperate with any necessary audits or investigations by LAUSD relating to conduct identified in this Code. Such audits and investigations may be conducted when LAUSD has reason to believe that a violation of this Code has occurred. Once an audit or investigation is complete, LAUSD may contact a Contractor or their Representatives to establish remedies and/or sanctions.
- C. *Comply with Sanctions* – Contractors and their Representatives shall comply with the necessary sanctions for violations of this Code of Conduct. Remedies can include and/or combine one or more of the following actions:

- (1) Removal of offending Contractor or subcontractor;
- (2) Implementation of corrective action plan approved by LAUSD;
- (3) Submission of training plan for preventing future violations of the Code;
- (4) Probation for 1-3 years;
- (5) Rescission, voidance or termination of a contract;
- (6) Suspension from all LAUSD contracting for a period of time;
- (7) Prohibition from all LAUSD lobbying activities;
- (8) Compliance with deferred debarment agreement;
- (9) Debarment from all LAUSD procurement or contracting; or
- (10) Other sanctions available by law that are deemed reasonable and appropriate.

In the case of a procurement in which a contract has yet to be awarded, LAUSD reserves the right to reject any bid or proposal, to terminate the procurement process or to take other appropriate actions.

Failure to remedy the situation in the timely manner prescribed by LAUSD can result in additional sanctions. *Records of violations or any other non-compliance are a matter of public record.*

Any debarment proceeding will follow due process in accordance with the procedures described in LAUSD's Debarment Policy.

9. Future Code Updates

To ensure that LAUSD maintain our effectiveness in promoting integrity in our contracting processes and our use of public tax dollars, LAUSD reserves the right to amend and modify this Contractor Code of Conduct at its discretion. LAUSD's Ethics Office will post the latest version of the Code on its website. Interested parties with ideas on how LAUSD can strengthen our Code to improve public trust in the integrity of LAUSD's decision-making can contact LAUSD's Ethics Office in writing to share their comments. Such comments will be evaluated for future code updates.

LAUSD is not responsible for notifying a Contractor or their Representatives of any changes to this Code. It is the responsibility of a Contractor to keep itself and its Representatives apprised of any changes made to this Code. LAUSD is not responsible for any damages that may occur as a result of a Contractor's failure to fulfill its responsibilities of staying current on this Code.

10. Severability

If one part or provision of this Contractor Code of Conduct, or its application to any person or organization, is found to be invalid by any court, the remainder of this Code and its application to other persons or organizations, which has not been found invalid, shall not be affected by such invalidity, and to that extent the provisions of this Code are declared to be severable.

SECTION III (Continued)

ATTACHMENT D

SMALL BUSINESS ENTERPRISE (SBE) UTILIZATION PROGRAM

- A. It is the District's policy to encourage participation by Small Business Enterprise (SBE) firms in contract activity. On February 25, 2003 the Board of Education established a Small Business Enterprise (SBE) goal to "Establish a District-wide small business participation goal of 25 percent for all contracts and procurement activities". Bidders/proposers which include SBE firms in their proposal/bid must detail the SBE status of those firms on the SBE Utilization Report.

Firms which meet the United States Small Business Administration size standards, or which have already been recognized by the LAUSD as a small business, or which are certified by a government agency or third party entity shall be considered SBE for the purposes of this program. The use of SBE partners/sub-contractors or participation in Federal agency small business programs will also be accepted as a response. Bidders/proposers are responsible for the verification of the SBE status of any firm represented as an SBE firm used in any proposal or bid. Misrepresentation of a firms' SBE status may jeopardize future contracting opportunities.

Size standards may be viewed at:

<http://www.sba.gov/services/contractingopportunities/sizestandardsttopics/index.html>

- B. The LAUSD affirmatively assures that all firms will be afforded full opportunity to submit bids/proposals in response to this IFB/RFP and will not be discriminated against on the grounds of race, sex, color, religion, ancestry, national origin, marital status, age (over 40), or disability (including AIDS, and cancer-related medical condition) in consideration for an award.
- C. LAUSD advises potential bidders/proposers that the SBE participation which the bidder/proposer commits to in their bid/proposal package becomes the goal of record. The LAUSD will enforce the SBE participation proposed.
- D. Firms claiming SBE participation must execute a copy of the SBE Utilization Report included in this IFB/RFP package, and include it in their RFP/IFB response. Firms not submitting an SBE Utilization report may be determined to have no SBE participation.

MONITORING/PENALTIES

The Procurement Services Group will be responsible for monitoring the SBE program,

If any firm listed on the SBE Utilization Report as an SBE is found not be an SBE, such finding may affect any future determination of responsibility for the firm(s) submitting the report.



**LOS ANGELES UNIFIED SCHOOL DISTRICT
SMALL BUSINESS ENTERPRISE PROGRAM
SBE UTILIZATION REPORT**

The Los Angeles Unified School District encourages participation by Small Business Enterprise (SBE) firms in procurement activity. Proposers/ bidders including SBE firms in their responses must execute a copy of this Report and include it with their RFP/IFB response. Firms which do not return this report may be determined to have no SBE participation. Bidders/proposers that are SBE firms shall check the first box on the form. Majority firms responding to the SBE program will list SBE sub-contractors/partners or attach their annual small business contracting report (SF-295, Dept of Agriculture SBE report, etc.) Size standards, which define SBE status, are available at:

<http://www.sba.gov/services/contractingopportunities/sizestandardstopics/index.html>

Firm Name _____ **RFP#** _____

SBE STATUS (check one)

Our firm(s) meet(s) the qualification for SBE status as defined in the Small Business Administration size standards, or is certified by a government or third party entity.

Our firm utilizes SBE subcontractors. (List SBE firms utilized and the percentage)

Our firm participates in a Federal agency small business utilization program. (Attach report)

- No SBE utilization**
- Non-profit organization**
- Educational institution**
- Government agency**

By signing below, bidders/proposers represent that this is an accurate representation of the SBE status or utilization for the firm(s) participating in this contract.

Representative _____ Title _____

Date _____ Telephone _____

SECTION III (Continued)

ATTACHMENT E

LOBBYIST REGISTRATION

All individuals who qualify as a “lobbyist,” as defined by the Los Angeles Unified School District (LAUSD) Lobbyist Registration Code, must register with the District’s Ethics Office within 10 days after the end of the month in which they qualify by:

1. Completing the lobbyist registration form;
2. Paying a registration fee of \$300 per calendar year (\$225 during the last calendar quarter);
3. Securing an Authorization Letter from your employer (this only applies to in-house lobbyists); and
4. Submitting the form and payment (and Authorization Letter) to the LAUSD Ethics Office.

Please note that lobbying activities are defined broadly and include sales and marketing efforts directed towards District employees. To learn about the specific criteria that trigger the need for organizations and individuals to register, visit the Ethics Office website at: www.lausd.net/ethics (click on “Lobbying Disclosure”) or call the Ethics Office at: 213-241-3330 before your organization begins any efforts to promote products or services at LAUSD.