

## Section 2.0 CONTRACT ADMINISTRATION

### **2.1 MARKETING CESSATION POLICY**

*Adopted: April 24, 2007; Revised June 10, 2014*

#### **Purpose**

The purpose of this policy is to ensure a transparent and fair contracting process which provides equal information and opportunity to all parties interested in contracting with LACERS. The policy helps prevent, and avoid the appearance of, undue influence on the Board or any of its Members in the award of investment related and other service contracts by placing restrictions on communications between parties seeking contracts and those involved in contract award and the contract process.

#### **Parties Affected**

Any firm or representative seeking a contract or contract extension/renewal with LACERS is a "Restricted Source" as defined by the City's Governmental Ethics Ordinance, and is subject to this policy.

Any Board Member, Staff member, City Attorney, LACERS consultant, or anyone working on LACERS' behalf which has any privileged information about the potential contract is subject to this policy.

#### **Notification**

All firms responding to a Request for Proposal are notified of the Department's Marketing Cessation Policy through the Request for Proposal solicitation. All firms whose contracts are approaching expiration are additionally notified of the Marketing Cessation Policy through their contract provisions.

#### **Restricted Period**

Restrictions apply from the time the Request for Proposal is released until a contract is executed.

#### **Restrictions:**

##### **Communication Restrictions**

All firms that are potential candidates for the award of a contract, or extension of an existing contract, are prohibited from engaging in any direct or indirect marketing of their services except through the process set forth in the Request for Proposal. This includes a prohibition on conversations about the contract or the process to award it, but does not exclude conversations with restricted sources about generic topics at group social events, educational seminars, conferences, or charitable events.

Communications with firms who currently have contracts with LACERS are acceptable when they are related to the performance of the existing contract.

##### **Gift Restrictions**

In addition to all other applicable gift restrictions, Board Members and Staff will accept no entertainment or gifts of any kind from any Restricted Source, or intermediary, during the restricted period. An incumbent firm is also restricted from providing any type of gift or entertainment to Board Members or Staff during the three months prior to renewal of the existing contract or during the restricted period, whichever is longer.

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**Proposer Disclosure**

All Proposers shall provide the following disclosures with their RFP response. All recommendations to the Board to award a contract shall include a copy of such disclosures:

1. All respondents are required to submit a statement listing all contacts with Board Members, Staff, and Consultants during the restricted period.
2. All respondents shall provide information regarding any personal or business relationship between their personnel and any Member of the Board, Staff of LACERS, or Consultants who are designated as Form 700 filers in the Department's Conflict of Interest Code.
3. All respondents shall disclose any payments for marketing or placement services to any person, firm, or entity to assist in seeking the LACERS contracting opportunity.

**Penalties**

Any failures to disclose, or false disclosures, are a violation of this policy shall result in automatic disqualification of the firm involved.

This policy shall be reviewed by the Board every three years or earlier if necessitated by a change in local, State, or Federal statutes.