

ETHICS STANDARDS FOR CONTACT BETWEEN CONTRACTORS, VENDORS AND CONSULTANTS, AND BOARD MEMBERS OR EMPLOYEES

Application of “Ethics Standards for Contact between Contractors, Vendors and Consultants and Board Members or Employees”

These MANDATED Ethics Standards shall govern the conduct of all contractors/vendors and consultants of the Pasadena Unified School District (“District”) in any relationship with Board member and/or employees. These standards are to be read in conjunction with the latest editions of applicable District contracting and procurement policies and procedures. All contractors/vendors shall ensure that their subcontractors comply with these Ethics Standards. Nothing in this policy shall supersede Board Bylaw 9270, Bylaw 9271 or any statutory or common law prohibitions against conflicts of interest by public officers and employees.

Purpose

The purpose of these Ethics Standards is:

1. To protect the integrity of the procurement process; and
2. To provide a comprehensive statement of expectations governing the conduct of contractors/vendors doing business with the District so they will be able to compete fairly, and perform their work and services in an ethical manner.

Expectations

This document does not address all ethical issues that may arise in the course of doing business with the District. Each person and entity is expected to act ethically at all times and in all things. The District Business Services Office is responsible for providing education and advice on ethical issues. Contact the Business Services Office with any questions regarding these Ethics Standards.

Enforcement

The provisions of these Ethics Standards are enforced by the District Superintendent, Chief Business Officer or designee, and other appropriate enforcement authorities. The District may reject any bid or other proposal, or impose other sanctions against any person, contractor/vendor, or entity that

ETHICS STANDARDS FOR CONTACT BETWEEN CONTRACTORS, VENDORS AND CONSULTANTS, AND BOARD MEMBERS OR EMPLOYEES

has not complied with the requirements of these Ethics Standards.

Prohibitions

No bidder, proposer, vendor, contractor or subcontractors shall fraudulently deceive or attempt to deceive any District official with regard to any material fact pertinent to any pending or proposed District action. Nor shall they do anything with the purpose or intent of placing any District official under personal obligation to the bidder, proposer, vendors, contractor or subcontractor.

Avoid the Appearance of Impropriety

All bidders, proposers, vendors, contractors, and subcontractors shall refrain from conduct which they know or reasonably should know is likely to create in the minds of reasonable, objective, fair-minded observers the perception that they are using their relationship with the District in an improper manner.

Zero Tolerance Regarding Gifts

No bidder, proposer, vendor, contractor, or subcontractor shall offer, give, or promise to offer or give, directly or indirectly any money, gift or gratuity to any District Board member, employee or consultant at any time.

Zero Tolerance Regarding Offers of Employment

No bidder, proposer, vendor, contractors, or subcontractor shall offer, or promise to offer, either directly or indirectly, any future employment or business opportunity to any District Board member, employee, or consultant, or such individuals' immediate family, spouse, significant other, or business associates, if such offer of employment is conditioned expressly or implicitly on the awarding of a present or future contract, or preference in the awarding of a contract to anyone at any time by the District.

Contacts by Staff Prior to the Issuance of a Solicitation

While informational and market research contacts with prospective contractors, subcontractors, or vendors are a valuable source of data to the District, such

ETHICS STANDARDS FOR CONTACT BETWEEN CONTRACTORS, VENDORS AND CONSULTANTS, AND BOARD MEMBERS OR EMPLOYEES

contacts can be perceived as improper. All parties shall exercise sound judgment and caution to prevent an actual or implied impression that such contacts will result in preferential treatment of the prospective contractors, subcontractors, or vendor.

Receipt of Preliminary Information

No bidder, proposer, vendor, contractors, or subcontractor shall request, attempt to request or accept from any District Board member, employee, or consultant, any information regarding present or future contracts, or expectations of such contracts, unless this information is made available at the same time and in the same form to all other bidders, proposers, vendors, contractors, or subcontractors.

Dissemination of Information

District Board members, employees, and consultants shall not provide or attempt to provide information regarding present or future contracts, unless this information is made available at the same time and in the same form to all other bidders, proposers, vendors, contractors, or subcontractors, or is public information under the California Public Records Act, Government Code Section 6250, *et seq.*

Receipt of Protected Information

No bidder, proposer, vendors, contractors, or subcontractor shall solicit, obtain or accept, directly or indirectly, from any District Board member, employee or consultant, any information developed during the course of the contracting process relating to the procurement prior to the contract award unless this information is a public record under the Public Records Act.

Influencing Contract Decisions, Negotiations and Protests

1. In order to ensure fairness in the contracting process and to prevent even the appearance of impropriety, the District seeks to minimize private contacts between District employees, consultants, and Board members, and bidders, proposers, vendors, contractors, and subcontractors. The intent is to prevent bidders, proposers, vendors, contractors, and

ETHICS STANDARDS FOR CONTACT BETWEEN CONTRACTORS, VENDORS AND CONSULTANTS, AND BOARD MEMBERS OR EMPLOYEES

subcontractors from obtaining, or appearing to obtain, non-public information about a contract or request for proposal. It is also the intent to prevent even an appearance of bias by District employees, consultants and board members.

2. Commencing with the issuance of a request for proposal, a request for qualifications, or any other document initiating the contracting process, and ending at the time the staff recommendation for award is made public, no bidder, proposer, vendor, contractor, or subcontractor, or representative of such individuals or entities participating in the contracting process shall contact by any means or engage in any discussion concerning the award of the contract with any District board member or consultant (other than selection committee members and then only within the context of an interview with the selection committee) until a decision is made on the contract. Any such contact may be grounds for the disqualification of the bidder, proposer, vendor, contractors, or subcontractor. Anyone preparing a bid may contact District staff for clarification purposes only.
3. During price negotiations of non-competitive bid contracts, contractors, vendors or subcontractors, or their representatives, shall not contact, lobby or otherwise attempt to influence District employees or consultants (other than negotiation team members), or Board members relative to any aspect of the contract under negotiations. This provision shall apply from the time of award until the recommendation for execution of the contract is made public. Any concerns relative to any contract under negotiations shall be communicated only to the Chief Business Officer or designee for resolution.
4. No bidder, proposer, vendor, contractor, or subcontractor or representative thereof, who submitted a proposal or bid in response to a request for proposal, a request for qualifications, or any other document initiating the contracting process shall contact a Board member regarding a protest submitted, regarding the recommended contract award or any lawsuit or potential lawsuit regarding the recommended contract award, or any dispute, lawsuit or potential lawsuit concerning the contract, except as specified herein. Nothing in this policy shall preclude bidders, proposers, vendors, contractors, or subcontractors, or their

ETHICS STANDARDS FOR CONTACT BETWEEN CONTRACTORS, VENDORS AND CONSULTANTS, AND BOARD MEMBERS OR EMPLOYEES

representatives, from speaking during public comment portions of board meetings, or otherwise engaging in protected speech rights under state and federal law. The restrictions on Board contacts set forth herein shall expire upon the awarding of the contract. Any contacts by bidders, proposers, vendors, contractors, and subcontractors, or their representative, shall be referred to the Chief Business Officer, or designee.

Contractor Qualification

The District will accept bids and proposals for contracts and procurement of goods or services having a value to be determined by the District, only from firms or entities that are complying with the District contracting and procurement policies and procedures, including this policy.

Disclosure of Former District Employees

To prevent former District employees and Board members from using their relationships with the District, a District department or school, or current District employees to improperly influence procurement decision-making, all bidders, proposers, vendors, contractors, and subcontractors are required to disclose whether any of their employees, subcontractors or consultants, within the last three years, have been or are employees of the District. The disclosure will be in accordance with current District contracting/procurement guidelines, but will include, at a minimum, the name of the former District employee, a list of the District positions the person held in the last three years, and the dates the person held those positions.

District will not contract with any bidder, proposer, vendor, contractors, or subcontractor that employs a former District employee, Board member, or consultant who, while serving in a District position within the last two (2) years, substantially participated in the development of the contract's RFP, requirements, specifications or in any part of the contract's contracting process.

The District Chief Business Officer, or designee, upon a showing of good cause, may waive this prohibition in writing with notification to the Board prior to awarding the contract.

ETHICS STANDARDS FOR CONTACT BETWEEN CONTRACTORS, VENDORS AND CONSULTANTS, AND BOARD MEMBERS OR EMPLOYEES

Submitting Proposals after Developing Specifications

A contractor or consultant that has participated in the development of a scope of work, solicitation document, contractual instrument or technical specification for public works on behalf of the District, may not bid or submit a proposal on the project, except as permitted by law.

Conflicts of Interest

A conflict of interest may exist when a District Board member, employee, or consultant has a financial interest in or towards a person or entity, which results in a real or apparent advantage to that person or entity. The existence of a financial relationship between a bidder, proposer, vendor, contractor, or subcontractor, and any District Board member, employee, or consultant, or a member of that employee's immediate family, who has participated in a District action or in the making of a District decision concerning that bidder, proposer, vendor, contractor, or subcontractor, constitutes a conflict of interest. A conflict of interest may also exist if the bidder, proposer, vendor, contractor, or subcontractor has previously employed, or is currently offering employment to, or considering the employment application of, any District staff or his or her immediate family. Nothing herein shall supersede provisions of state law barring conflicts of interest, including but not limited to Government Code section 1090 *et seq.*, and the Political Reform Act, Government Code section 87100, *et seq.*

If the bidder, proposer, vendor, contractor, or subcontractor has a financial relationships with any District board member, employee, or consultant, the bidder, proposer, vendor, contractor, or subcontractor shall disclose this fact in writing to the Chief Business Officer or designee as soon as this potential conflict of interest is known. The bidder, proposer, vendor, contractor, or subcontractor is under a continuing duty to advise the District of any conflicts of interest that arise during the term of the contract.

While not all conflicts will cause a bidder, proposer, vendor, contractor, or subcontractor to be disqualified, failure to disclose a known conflict may justify disqualification and/or sanctions.

The Chief Business Officer, or designee, in consultation with legal counsel, shall

ETHICS STANDARDS FOR CONTACT BETWEEN CONTRACTORS, VENDORS AND CONSULTANTS, AND BOARD MEMBERS OR EMPLOYEES

determine whether a conflict of interest exists and recommend appropriate action for resolution. If it is determined that an actual or apparent conflict of interest exists, the Chief Business Officer or designee shall notify the bidder, proposer, vendor, contractor, or subcontractor in writing of this finding and the action that the District shall take to resolve this conflict of interest. If the Chief Business Officer is the individual with the alleged or potential conflict, the Superintendent or designee shall act in his/her place.

No Retaliation

The District encourages good faith reporting of all suspected violations of these Ethics Standards. There shall be no adverse employment actions taken against anyone making a good faith report of a suspected violation nor shall there be any adverse employment actions taken against anyone accused of violating these standards and subsequently found not to have violated these Ethics Standards. The identity of any person reporting violations of these standards shall be kept confidential to the extent permitted by law.

Sanctions

All suspected violations shall be reported immediately to the Office of the Chief Business Officer for investigation. If the suspected violations involve the Chief Business Officer, the report may be made to the superintendent, who shall be responsible for following the procedures set forth herein. If the Chief Business Officer determines that the allegations have merit, the matter will be referred to the appropriate authorities. The District may take one or more of the following actions:

- a. Meeting with the bidder, proposer, vendor, contractor, or subcontractor to discuss the violation;
- b. Suspending the contract or subcontract involving the offending bidder, proposer, vendor, contractor or subcontractor;
- c. Directing the prime contractor to remove the offending subcontractor from the project;
- d. Rescinding, voiding or terminating the contract; and/or

ETHICS STANDARDS FOR CONTACT BETWEEN CONTRACTORS, VENDORS AND CONSULTANTS, AND BOARD MEMBERS OR EMPLOYEES

- e. Any other reasonable sanction deemed appropriate.

The Chief Business Officer or designee shall state in writing to the bidder, proposer, vendor, contractor, or subcontractor his/her findings regarding the violation and, if appropriate, recommend sanctions. The bidder, proposer, vendor, contractor, or subcontractor may request an informal hearing with the Chief Business Officer or designee to explain the bidder's, proposer's, vendor's, contractor's, or subcontractor's position regarding the alleged violation and/or sanctions prior to the Chief Business Officer or designee taking action. This request must be made in writing and received by the Chief Business Officer or designee within ten (10) working days of the recommendation for sanctions. If no request is received within the ten (10) working day period, the recommended action shall be taken.

If a timely request for a hearing is received, the informal hearing shall take place within ten (10) days after the Chief Business Officer or designee receives the request. The bidder, proposer, vendor, contractor, or subcontractor may be represented by legal counsel at the bidder's, proposer's, vendor's, contractor's, or subcontractor's own expense at the hearing. Within ten (10) working days after the informal hearing, the Chief Business Officer or designee shall advise the bidder, proposer, vendor, contractor, or subcontractor in writing the outcome of the hearing, at which time the decision becomes final.

If the sanctions imposed by the Chief Business Officer or designee are anything more than a conference with the offending contractor, the offending bidder, proposer, vendor, contractor, or subcontractor may file an appeal to the Governing Board, which reserves the right to determine whether to hear the appeal. The Governing Board's decision to hear an appeal is within its sole discretion.

In the case of a procurement in which a contract has not yet been awarded, the District shall determine whether to terminate the procurement or take other appropriate action.