

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT ("Agreement") is made and entered into on September 11, 2015, between

ECRA Group, Inc
Hazard, Young, Attea & Associates
5600 N River Road, Suite 180
Rosemont, IL 60018

Attn: Hank Gmitro Email: hgmitro@gmail.com

hereinafter referred to as the "Contractor," and

LOS ANGELES UNIFIED SCHOOL DISTRICT

hereinafter referred to as the "District" or "LAUSD."

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. This Agreement shall be from September 11, 2015 through June 30, 2016
2. APPROVAL. This Agreement is of no force or effect until signed by both parties and approved or ratified by the Board of Education of the Los Angeles Unified School District ("Board of Education"), or an authorized designee of the Board of Education. Contractor may not commence performance until such approval or ratification has been obtained.
3. DUTIES OF THE CONTRACTOR. shall be to provide 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.

Travel and expenses, if authorized, shall be in accordance with LAUSD Travel and Expense Guidelines, attached hereto as Exhibit D.

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, workers' 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 an amount not to exceed \$160,000 in accordance with **Exhibit B, Payment Schedule**, 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 District **Administrator** 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 locations 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 Contractor for correction. 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: Mail One (1) Copy of Invoice(s) to:

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

Los Angeles Unified School District
333 S. Beaudry Avenue
Los Angeles, CA 90017
Attention: Jefferson Crain,
Executive Officer,
Board of Education

7. **RIGHTS TO REPORT.** The rights to any report, evaluation and/or other material developed by the Contractor pursuant to 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, attached hereto as Exhibit C and made apart hereof, pertaining to conflict of interest. Contractor certifies on behalf of any Representatives as that term is defined in the Contractor Code of Conduct, 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 District any and all circumstances existing at such time which pose a potential conflict of interest, prior to entering into this Agreement. Further, Contractor has an ongoing obligation to proactively disclose any potential or actual conflict of interest through a "Meaningful Conflict Disclosure" to District and to fully cooperate in any inquiry to enable District to determine whether there is a conflict of interest and what resolution is necessary.

Failure to comply with any of these provisions shall constitute grounds for immediate termination of this Agreement, in addition to whatever other remedies District 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 this 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 three (3) years from and after final payment or, if the Agreement is terminated in whole or in part, until three (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, nor shall Contractor make representations about the District in oral or written form 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.
- 10.6. Data Privacy

If Contractor is an operator of an Internet website, online service, online application, or mobile application, Contractor shall comply with the requirements of California Business and Professions Code sections 22580 through 22585 (notwithstanding statute operative dates), and District policy as follows:

10.6.1 Contractor shall not (i) knowingly engage in targeted advertising on the Contractor's site, service or application to District students or their parents or legal guardians; (ii) use a student's personally identifiable information ("PII") or other non-public information (e.g., metadata) to amass a profile about a District student; (iii) sell information, including PII; or (iv) disclose PII without the District's written permission.

10.6.2 Contractor will store and process District Data in accordance with commercial best practices, including appropriate administrative, physical, and technical safeguards, to secure such data from unauthorized access, disclosure, alteration, and use. Such measures will be no less protective than those used to secure Contractor's own data of a similar type, and in no event less than reasonable in view of the type and nature of the data involved. Without limiting the foregoing, Contractor warrants that all electronic District Data will be encrypted in transmission using SSL [(Secure Sockets Layer) [or insert other encrypting mechanism] (including via web interface) [and stored at no less than 128-bit level encryption].

10.6.3 Contractor shall delete a student's covered information upon request of the District.

11. EVALUATION. The Contractor acknowledges that the presentation or services may be evaluated by the participants, the District's Office of Data and Accountability or any other District offices or schools and understands that the results of the evaluation may be subject to a Public Records Act request under Government Code §6520, et seq.. 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. NON-DISCRIMINATION. The Los Angeles Unified School District is committed to providing a working and learning environment free from discrimination, harassment, intimidation and/or bullying. The District prohibits discrimination, harassment, intimidation and/or bullying based on the actual or perceived characteristics set forth in Penal Code §422.5, Education Code §220 and actual or perceived sex, sexual orientation, gender, gender identity, gender expression, race or ethnicity, ethnic group identification, ancestry, nationality, national origin, religion, color, mental or physical disability, age, or on the basis of a person's association with a person or group with one or more of these actual or perceived characteristics, in any program or activity it conducts or to which it provides significant assistance.

14. TERMINATION FOR CONVENIENCE

14.1. 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 stated in the notice to Contractor.

14.2. 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.

14.3. 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.

15. TERMINATION FOR DEFAULT

15.1. 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 stated in the notice to Contractor.

15.2. 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.

15.3. 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.

- 15.4. 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.
16. 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.
17. GOVERNING LAW. The validity, interpretation and performance of this Agreement shall be determined according to the laws of the State of California.
18. ENTIRE AGREEMENT/AMENDMENT. This Agreement, all exhibits to this Agreement, the IRFP and Proposal 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.
19. ORDER OF PRECEDENCE. In the event of any conflict in the definition or interpretation of any word, responsibility, service, schedule, or contents of a deliverable product between the provisions of the Agreement which precede the signature page and Exhibits to the Agreement, said conflict or inconsistency shall be resolved by giving precedence in the following order (1) provisions of the Agreement which precede the signature; (2) Exhibit C, District Contractor Code of Conduct; (3) Exhibit A, Statement of Work; (4) Exhibit B, Payment Schedule; (5) Informal Request for Proposal No. 2000000271, issued August 4, 2015 and all addenda thereto; and (6) Contractor's Proposal, dated August 19, 2015.
20. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY OR VOLUNTARY EXCLUSION.

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, declared ineligible, or voluntarily excluded 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.

21. 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:

21.1. 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.

21.2. Non-infringement

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.

21.3. 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.

21.4 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.

Violation of any provision of this Section 21 shall be a breach of this Agreement subjecting Contractor to default provisions of Section 15, Termination for Default above.

22. INDEMNIFICATION

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

22.1. General Indemnity

22.1.1. Contractor shall indemnify, defend and hold harmless the District and its Board Members, administrators, employees, agents, attorneys, and contractors (collectively, "Indemnitees") against all liability, loss, damage and expense (including reasonable attorneys' fees) resulting from or arising out of this Agreement 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.

22.1.2. This indemnification shall apply even in the event of the act, omission, fault, or negligence, whether active or passive, of the Indemnatee(s), but shall not apply to claims arising from the sole negligence or willful misconduct of the Indemnatee(s).

22.2. Proprietary Rights Indemnity

Contractor shall indemnify, defend and hold harmless District, its officers, directors, and employees, agents from and against any losses suffered by District as a result of Contractor's breach of its warranties set forth in Section 21 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.

22.3. 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:

22.3.1. 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

22.3.2. 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.

22.3.3. Workers' Compensation and Employers Liability Insurance 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.

22.3.4 Reserved

22.3.5 Any deductibles or Self-Insured Retentions (SIR) shall be declared in writing. An SIR or deductible above \$100,000 requires District approval.

22.3.6 Contractor, upon execution of this contract and periodically thereafter upon request, shall furnish LAUSD with certificates of insurance evidencing such coverage. The Commercial General and Automobile Liability policies shall name the Los Angeles Unified School District and its Board of Education as additional insureds with respect to any potential tort liability, irrespective of whether such potential liability might be predicated on theories of negligence, strict liability or products liability. The Contractor shall be required to provide LAUSD with 30 days' prior written notice if the insurance afforded by this policy shall be suspended, cancelled, reduced in coverage limits or non-renewed. Premiums on all insurance policies shall be paid by Contractor and shall be deemed included in Contractor's obligations under this Agreement at no additional charge.

23. 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.

24. FINGERPRINTING

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

- 24.1. 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”).
- 24.2. 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.
- 24.3. Certify in writing, using the District’s fingerprinting certification form (available at the District Risk Finance and Insurance Services 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 Risk Finance and Insurance Services.
- 24.4. Provide a list of the names of Contractor’s employees who may have contact with pupils to the District Risk Finance and Insurance Services. This list shall be updated for employee changes and shall list employees by appropriate school site.
- 24.5. 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.

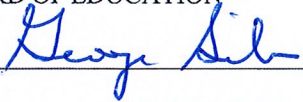
25. BUDGET CONTINGENCY

- 25.1. It is mutually agreed that if the current year budget and/or any subsequent years covered under this Agreement do not appropriate sufficient funds for the Services, this Agreement shall be of no further force and effect. In this event, the District shall have no liability to pay any funds to the Contractor or furnish any other considerations under this Agreement, and the Contractor shall not be obligated to perform any provisions of this Agreement.
- 25.2. If funding for any fiscal year is reduced or terminated by the Board of Education for purposes of this Agreement, the District shall have the option to either cancel this Agreement with no liability occurring to the District, or offer an amendment to this Agreement to Contractor to reflect the reduced amount.

-DISTRICT-

**LOS ANGELES UNIFIED SCHOOL
DISTRICT**

LOS ANGELES UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

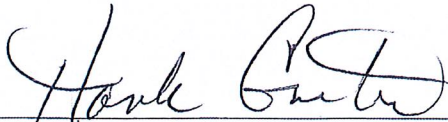
By 

GEORGE SILVA
Chief Procurement Officer

Dated 9/14/15

-CONTRACTOR-

**ECRA GROUP – HAZARD YOUNG ATTEA &
ASSOCIATES**

By 
Hank Gmitro
(Print Name)

TITLE President

Fed. I.D. #: 27-0092348

Dated 9/14/15

Statement of Work

Overview

Contractor will design a search process that is tailored to the needs of the Los Angeles Unified School District and its Board of Education. Any aspect of HYA's standard approach for such a search may be modified to fulfill the interests, or circumstances, of the District or its Board of Education. The specific role of the search team is to help the District create an initial structure for its search by:

- Assisting with the development of a leadership profile
- Aggressive and insightful recruiting of candidates
- Screening potential candidates through preliminary interviews and background checks
- Reviewing candidates references and utilizing HYA's confidential network to gain reliable information on candidates
- Facilitating the Board's work in interviewing candidates and selecting the new superintendent
- Supporting the new superintendent's transition into the District

The HYA consultants work with the Board or its designee(s), as often as needed to maintain communication about and support the work of each aspect of the search until a new Superintendent is employed.

Contractor shall impartially treat all potential candidates, whether internal applicants, recruited candidates, or self-nominated outside applicants. Contractor shall disclose all aspects of candidate qualifications, including but not limited to candidate willingness to serve under an elected Board of Education and candidate understanding of public schools and charter schools.

Key Personnel

The search team will be led by Dr. Hank Gmitro, president of the company, and a highly experienced national search consultant and by Dr. William Attea, one of the founders of the firm and the premier national expert on Superintendent searches.

Drs. Gmitro and Attea will be assisted by two teams of HYA associates - one comprised of national consultants and focused on recruiting candidates and a second comprised of California-based associates focused on community engagement and search logistics. The overall goal for team composition is to create a team that represents national and state-wide knowledge, gender and multiethnic balance, and deep and broad-based expertise in large system searches.

The national team working with Dr. Attea will include Dr. Rudy Castruita, Dr. Carol Johnson, and other national associates as needed. This team will use their connections and relationships with national and minority-based membership associations to focus their attention on the recruitment of candidates from across the county that fit the desired profile defined by the Board.

The California-based team working with Dr. Gmitro will include Dr. Joseph M. Farley, and Dr. Darline Robles, both of whom are former Superintendents of large California school districts, and have extensive experience in the recruitment and selection of top-level school leaders and Superintendents. Other California associates who could be involved in the search, if needed and/or desired by the Board, include Dr. Carolyn McKennan, HYA West Coast President, Dr. Maria Ott, a former Deputy Superintendent in LAUSD, and Dr. Pedro Garcia, former Superintendent in Metro Nashville Public Schools and former Superintendent of Corona-Norco USD and Carpinteria USD in California.

Contractor shall not replace key personnel without the written approval by LAUSD of an equally qualified consultant, with the right to interview the replacement consultant prior to giving written approval.

Search Process Plan

The search team will meet with the Board or its designee(s) to discuss these procedures and modify them to meet the Board's unique needs.

The Planning Phase of the Search Process

The first step of every HYA search is to hold a formal planning session. At this meeting, HYA consultants convene with the Board or its designee(s) and proceed to customize the search and its process to the specific needs and requirements of LAUSD, as articulated by those present. More specifically, HYA and the Board will cover and sort out central matters and considerations regarding the search, including:

- Review Board and consultant responsibilities for each phase of the search
- Tailor the search to meet the needs of the Los Angeles Unified School District
- Determine the role of staff members and constituents in the search
- Determine the timeline and specific dates for search activities
- Consider Board options and preferences regarding advertisements
- Discuss the compensation package to be offered to the new Superintendent
- Agree upon a communication plan to keep the Board or its designee(s) abreast of the search process and the consultants alerted to issues that may arise from the Board.

Criteria Development

A clear definition of the position and qualifications sought is crucial to each subsequent phase of a successful search. To assist the Board in clarifying the criteria desired in the new Superintendent, HYA will conduct individual interviews with each member of the Board and others the Board designates. HYA recommends extensive community involvement in providing input to the Board prior to establishing the criteria desired in the new Superintendent. Up to eighteen consultant days are allocated for the purpose of soliciting input through individual interviews, focus groups and general forums (open to all stakeholders). In the event that the Board or its designee(s) determines that eighteen days are not enough, HYA will deploy local resources at no additional charge to LAUSD. Reimbursement of actual expenses, reasonably incurred, to a maximum of \$1000 per additional day shall apply thereafter for non-local resources. It is recommended that the consultants facilitate the interviews, focus groups and general forums so as to maintain objectivity in determining what respective stakeholder groups value in the District, the issues they foresee, and the characteristics they would like the new Superintendent to possess.

In addition to the personal interviews, HYA has developed an online survey that can be completed by any stakeholder. The data collected from the online survey and interviews with Board members, staff and the various stakeholders will be compiled in a Leadership Profile Report, which will be presented to the Board or its designee(s) in both oral and written formats. Working with the Board or its designee(s), specific profile characteristics emerge from the results of the Leadership Profile Report and are subsequently incorporated into recruitment material. From experience, HYA has learned that one of the most crucial aspects of a successful search is the careful and explicit formation and enumeration of the criteria used in the Hazard, Young, Attea & Associates selection process. Overall, this leadership

assessment process has been highly successful in determining critical attributes, while invariably building positive public relations.

In the event that language translation services are required, contractor will include document translations at no additional charge. Spoken interpretation services, if required in Spanish, shall be performed by contractor staff at no additional charge. Contractor will rely on District-provided translation and interpretation resources for any other needs.

The Recruitment Phase

A key factor of a successful search is effective marketing and aggressive national recruitment of successful individuals who may not be seeking a new position. To this end, HYA will aggressively identify individuals across the nation who meet the criteria identified by the Board and actively recruit them to consider this position. Identification and recruitment is done in a variety of ways including the following:

- Announcements of the vacancy will be placed on a number of websites including HYA's (www.hyasearch.com), which will be linked to the District's website. It also will be posted on Education Week, AASA, EdCal, and national professional association websites. The strengths of easy-to-use technology will be maximized when the District creates a superintendent search page and posts the link for the Leadership Profile Survey.
- Advertisements will be placed in national and/or regional publications as agreed upon with the Board. Ad content will be shared with the Board or its designee(s) prior to publication to ensure they reflect the intent of the Board. All material will indicate that the District is an equal opportunity employer.
- Subject to the Board's approval, all members of the groups with whom HYA consultants meet in the Leadership Profile Development process will be invited to nominate individuals they feel are highly qualified for the position. On occasion, the preferred candidate is identified through such a nomination. Regardless, it reinforces the Board's intent to have an open, unbiased search embracing candidates from within, as well as beyond, the local area.
- To initiate the search for candidates, contacts throughout California and the nation will be advised of the vacancy and asked to help identify individuals who match the criteria the Board has identified as desirable in its next Superintendent. Included in this communication will be superintendents reaching every region of the country and leaders of state and national educational organizations, university officials, foundation executives, state education department personnel, and individuals in business, government, industry and the military who have an interest in school ventures. Members of the firm are active professionally in state and national organizations affording ongoing identification of emerging educational leaders with unusual talent and promise.
- Members of the firm will contact prospective candidates who meet the criteria established by the Board. Additional candidates will be sought through personal contact with a number of individuals who work with and/or are aware of a broad spectrum of superintendents.
- Complementing nominations received and utilizing candidate information generated from over 1,000 successful executive searches, HYA will aggressively recruit candidates for the position. In addition, HYA staff will send frequent announcements regarding the search to all associates. HYA has learned that technology facilitates and enhances the application process, and thus requires all candidates to apply online. The applications will be reviewed and acknowledged by the consultants. During this phase of the search, HYA usually initiates communication with and

conducts preliminary reference checks on the most promising applicants in anticipation of an interview. All materials received for this search will be considered confidential and provided to no one except on a need-to know basis, in a manner consistent with both federal and state law.

Toward the close of the search, HYA will review all application materials carefully - with the guidance of the Board-established criteria - and typically identify 10 to 15 candidates for particular consideration. These individuals will undergo additional reference checks, internet searches, and, as appropriate, initial interviews with representatives from HYA. It is the practice of HYA to personally interview any candidate prior to making recommendations to the Board. As in all phases of the search, HYA adheres to strict guidelines of confidentiality. Of note, HYA's examination of a candidate's background reaches beyond the handpicked personal and professional references provided by the candidate. Our ability to gain important background information regarding our candidates - beyond that which merely appears in an individual's official file - is a unique and distinguishing characteristic of our firm, and is attributable, in part, to the integrity of both the firm and our associates, and the vast network of professional relationships built through their years in the education field.

The Selection Phase

Upon completion of initial interviews, HYA will present a select slate to the Board. The number of candidates to be submitted will be determined by the Board during the initial Planning Session. Prior to presenting the slate (or in a separate advance session, if preferred), the consultants will conduct a seminar for the Board or its designee(s) designed to prepare for candidate interviews. This seminar will include written guidelines and protocols to ensure informative and comprehensive interviews. Approximately two hours in length, the seminar will also review the steps in the final stages of the search. Prior to this workshop, HYA will solicit questions, hypothetical situations and/or topics of interest, identified by the Board as desirable topics of discussion for the Board's initial interviews with the candidates. Such feedback will be developed into an Interview Script, which will be reviewed and revised during the aforementioned workshop and then used by the Board or its designee(s) during the first round of interviews. The second interviews are generally unscripted and designed to follow-up on topics and questions identified during the first interviews. They also include an informal session such as a dinner with the candidate and his/her spouse or significant other, as well as the formal second interview.

The consultants generally do not sit in on the Board interviews but will be available for counsel or direct assistance to the Board throughout the interview process. The consultants will facilitate each decision-making session of the Board, if desired. Such involvement permits more active engagement by all Board members in both the general search process and the specific dialogue regarding the candidate pool. In facilitating the decision-making process, HYA assists the Board in assessing the abilities of the respective candidates in relation to the criteria identified by the Board.

After the Board identifies the semi-finalist candidates after the first round of interviews, HYA will facilitate the completion of a comprehensive background check on these individuals by an independent, third party firm - Baker Eubanks. This background review will confirm degrees attained, any data regarding the candidate on file with the criminal and domestic courts, as well as a review of his/her driving record and credit history. The review will also include print and social media reviews of the semi-finalist candidates.

HYA also will assist the Board in arranging a visit to the finalist's community in order to ensure that the Board's research will be as comprehensive as possible. These steps are important components of the selection process.

The Appointment Phase

Once the Board has determined their finalist and is satisfied with the successful completion of their due diligence review, the next step for the Board is to reach agreement on the contract terms to be offered. The HYA consultants will assist the Board in facilitating mutually agreeable terms with the

preferred candidate. Once terms are determined, the consultants are available to work the Board or its designee(s) and/or the Board's attorney in the preparation of a draft contract. It is highly recommended that the final contract be approved by the District's legal counsel prior to presentation to the candidate. After the successful candidate accepts the offer, HYA will assist the Board in making the appropriate announcements and introducing the candidate to the community. HYA consultants will also contact all applicants, confirming the appointment and extending the Board's appreciation to all candidates. HYA advises the Board President to send a letter to the candidates interviewed by the Board.

Guarantees

- 1) Fixed Price - The consultant fee is a fixed fee from the time of contract execution until a Superintendent is employed. If there is a need to reopen a search because the chosen candidate decides not to come to the District or because the Board desires to see additional or different candidates, these search activities will be provided at no extra cost in the consulting fee.
- 2) Two-Year Window - If the Superintendent departs from the position during the first year under any circumstances or within (2) years if the majority of the Board is still in place, HYA will conduct a new search for the Board at no additional cost barring expenses.
- 3) Non-Solicitation of Selected Candidate - The Superintendent appointed with HYA's assistance will not be presented to another board as a candidate if it would result in his/her leaving the District in less than five (5) years unless the Board advises HYA that the Superintendent may seek another position or the Superintendent is no longer employed by the Board.

End of Statement of Work

Deliverables and Milestone Payment Schedule

Deliverables

Compensation parameter study – compilation of Superintendent salaries across relevant demographics from contractor sources as well as public sources.

Communication Plan – the means by which the Contractor and the Board’s Committee shall exchange ideas during the period of performance of the contract, in compliance with applicable public law, and in view of applicant confidentiality.

Search Process Plan – the over-all approach Contractor will use to deploy its key personnel and other contractor resources to accomplish a search that maintains confidentiality of candidates while allowing input from parents and the community.

Sample interview Questions – a set of sample questions for the Board’s consideration prior to the creation of the interview script

Interview Script – Questions and hypothetical situations to which candidates will respond during the first round of interview with the Board.

Leadership Profile Report – the document based on the themes that emerge from the stakeholders, interviews, focus groups, forums, and survey results, to be used in the recruitment material.

Slate of candidates to invite for interviews – the short-list of candidates, including key characteristics that would be of interest to the Board.

Candidate Expenses – travel expenses incurred by candidates who are invited to interview with the Board

Payment Milestones

- (1) \$40,000 upon presentation of:
 - Draft compensation parameter study \$10,000
 - Draft communication Plan \$10,000
 - Draft Search Process Plan \$10,000
 - Sample Interview Questions \$10,000
- (2) \$40,000 upon approval of the Leadership Profile Report
- (3) \$40,000 upon presentation of slate of recommended candidates and Draft Interview Script
- (4) \$40,000 upon appointment of the new Superintendent and Transition Plan
- (5) Candidate Expenses upon completion of the search to be paid by LAUSD



LOS ANGELES UNIFIED SCHOOL DISTRICT
Exhibit C 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.

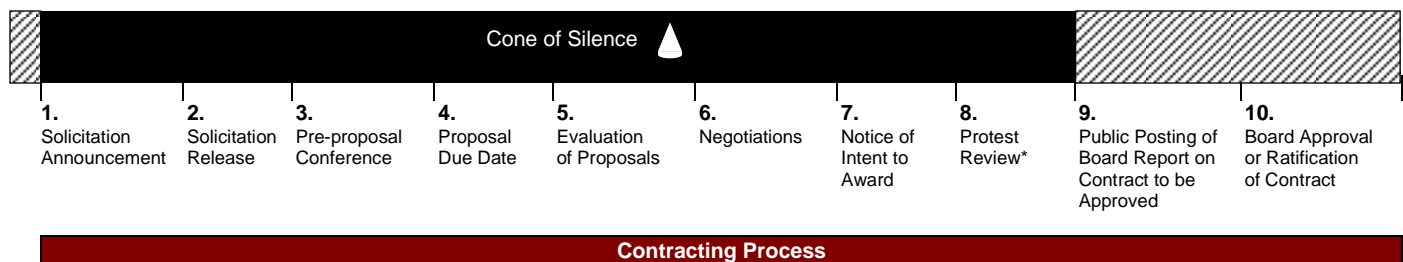
In addition to any specific obligations under a Contractor's agreement with LAUSD, all Contractors and their Representatives shall comply with the following requirements:

- 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:
- 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;
 - 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;
 - 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:
- 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;
 - interviews or presentations to evaluation committee members which are part of the procurement process;
 - clarification requests made in writing, under the terms expressly allowed for in an LAUSD contracting document, to the appropriate designated contract official(s);
 - negotiations with LAUSD's designated negotiation team members;
 - protests which follow the process outlined by LAUSD's protest policies and procedures; and
 - 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.

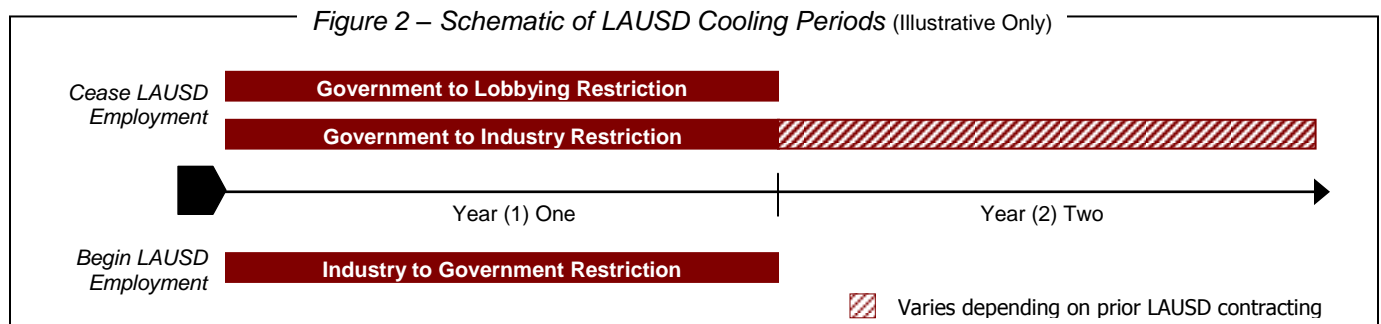
Assuming Sue is not attempting to take out any procurement officials (since they observe a zero tolerance policy on gifts), Sue needs to respect the Board-established gift limit for LAUSD officials. Sue should also be aware that giving a gift totaling over \$50 in a year to LAUSD officials will create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

EXHIBIT D, CONTRACT NO. 4400004078

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](http://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 EXHIBIT D