

**ETHICS ADVISORY**
*Dealing with Contractors***PLEASE
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TO: All LAUSD Employees who work with Contractors
FROM: Yea-Lan Chiang, Ethics Officer *Yea-Lan Chiang*
SUBJECT: Ethics Awareness in Dealing with Contractors

As you know, our success in educating the students of Los Angeles relies on the public's trust and confidence in the integrity of our work. More than ever, today's environment requires us as public employees to demonstrate the highest ethical standards in our conduct, especially with respect to our dealings with contractors, consultants and other service providers.

Each year, LAUSD awards roughly \$2 billion in contract services to our 10,000 plus contractors. Our students, parents and community count on us to ensure that each of these contracts is awarded and carried out with the utmost integrity and effectiveness. Ethical and responsible use of scarce public tax dollars is, of course, a shared responsibility of district staff and our contractors. To support this joint effort of ensuring contracting excellence, LAUSD has developed a number of resources such as our "Doing Business Ethically with LAUSD" brochure and our online training modules – all of which are available on our website at: www.lausd.net/ethics.

Every district staff member should be aware that as a condition of receiving an LAUSD contract, all LAUSD vendors, service providers, consultants and their representatives must abide by the standards detailed in LAUSD's *Contractor Code of Conduct*. If you work with individual contractors in your LAUSD work, please be sure to help in reinforcing key standards like those highlighted below, so as to avoid ethics concerns:

- **Manage Potential Conflicts – Steer clear of conduct that could create an actual or apparent conflict.**
Just as LAUSD employees cannot participate in decision-making for LAUSD where we may have a financial or personal interest, contractors and their personnel must avoid creating the perception of self-dealing in LAUSD matters (e.g., offering employment or other business opportunities to district staff involved with their work).
- **Maintain the Contracting Cone of Silence – Limit communications to designated contract officials only.**
To ensure a level playing field, contractors and their representatives must refrain from any side conversations or lobbying activities with any other LAUSD officials from the time a solicitation for a competitive contract has been announced until the time a contract award recommendation is made public by the Board Secretariat. Additionally, prospective contractors may not access any proprietary or source selection information prior to the award of a contract. Please notify your contract official immediately, if there is any attempted breach.
- **Respect LAUSD's Gift Limits – Adhere to LAUSD's zero tolerance gift rule for procurement employees and the \$100 cumulative annual limit per source for all other employees.**
Gifts include: meals, tickets, discounts and any other considerations that are not available to the general public. Remember that LAUSD employees *always have the option to decline gifts* that could create an appearance of impropriety or a question of improper influence. You can also let any individual who offers gifts know that gifts totaling over \$50 a year create a personal disclosure obligation to you in your annual Form 700 filing.
- **Satisfy Disclosure Obligations – Comply with state-mandated disclosures and LAUSD's Lobbying Code.**
Be aware that individual contractors who advise you or your staff in LAUSD decision-making may be required to file an individual Form 700 under state law. Additionally, contractors that engage in intensive sales and marketing activities may be required to register on LAUSD's Electronic Lobbying Filing System (ELFS).

Given that many contractor personnel work alongside LAUSD staff in schools and departments across our district, we recognize that maintaining the necessary "arm's-length" relationship with outside contractors can sometimes be more of a challenge and require your extra vigilance. If you should ever encounter a situation where you may need further ethical guidance, please feel free to contact the Ethics Office at: 213-241-3330.

Thank you for your continued support in making every dollar count and in helping LAUSD build upon our public's trust!