

**LOS ANGELES UNIFIED SCHOOL DISTRICT
CONTRACT NO. 4400003953
AGREEMENT FOR PROFESSIONAL SERVICES**

THIS AGREEMENT ("Agreement") is made and entered into on December 7, 2015, between

**LIVING ADVANTAGE, INC.
7095 HOLLYWOOD BOULEVARD, #726
HOLLYWOOD, CA 90028
Attn.: Pamela R. Clay**

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. TERM OF CONTRACT - The "Initial Term" of this Contract shall commence on the December 7, 2015 and terminate on December 6, 2016, with four (4) one-year renewal options, unilaterally exercisable by the District in its sole and absolute discretion.
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 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.

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. DATA USE AGREEMENT. The Los Angeles Unified School District and the Contractor have entered into a Data Use Agreement, which may involve Contractor's receipt of or access to certain student records and information concerning District students. The parties have entered into said agreement in order to ensure proper treatment of any student record information that Living Advantage, Inc. obtains or learns.

6. 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.

7. CONTRACT FEE AND FEE TRACKING

7.1. **This is a zero-dollar based contract.** The District makes no representation that any minimum amount of Services will be ordered by it (through any school or office) from Contractor during the term of this Agreement. The District does NOT represent or guarantee any minimum numbers of Orders for Services form (Exhibit C) under this Agreement. Further, the District does NOT represent or guarantee any minimum dollar amount of Orders for Services under this Agreement.

7.2. District Payment on Orders for Services shall be contingent upon acceptance of the Services and approval of the corresponding invoice(s) by the appropriate District Administrator or designee. Additional payment-related documentation shall be furnished by Contractor to the District upon request.

7.3. Invoices must (a) reference this Agreement number and 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.

Mail Original Invoice(s) and One (1) Copy to:

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

Mail One (1) Copy of Invoice(s)

Los Angeles Unified School District
School name/Office
School /Office Address
Los Angeles, CA
Attention: Principal/Administrator

8. 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. Nothing herein shall waive or otherwise impair District's, Contractor's or a third-party's ownership of or other rights in any portions of Work Product, data, information or other intellectual capital, developed or acquired independent of this Agreement or any applicable Work Order, or

derivatives thereof (collectively, the “Pre-Existing Items”). No party shall gain any ownership rights in the other party’s Pre-Existing Items or any derivative works thereof.

9. 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 D, 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.

10. 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, microphotographs 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.

11. CONFIDENTIALITY

- 11.1. 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 11.3, 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.
- 11.2. 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 11.1.
- 11.3. Contractor may disclose to any subcontractor, or District approved third parties, any information otherwise subject to Subsection 11.1 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 11.1 and shall provide a copy of such agreement to District.
- 11.4. 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.
- 11.5. Contractor's obligation of confidence with respect to information submitted or disclosed to Contractor by District hereunder shall survive termination of this Agreement.
- 11.6. 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:

11.6.1. 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.

11.6.2. 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].

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

12. 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.

13. 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.

14. 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.

15. TERMINATION FOR CONVENIENCE

15.1. 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.

15.2. 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.

15.3. 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.

16. TERMINATION FOR DEFAULT

- a. 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. In the event of a breach of default by Contractor, District shall allow Contractor thirty (30) days in which to cure the breach or default. If the Contractor fails to cure the breach or default within thirty (30) days after receipt of written notice from District, such notice specifying in detail the nature of the breach or default, then District shall have the right to terminate this Agreement. Upon receipt of such notice, the Contractor shall:
 - b. immediately discontinue all services affected (unless the notice directs otherwise);
and
 - c. 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.

- 16.1. 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.
- 16.2. 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.
- 16.3. 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.
17. 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.
18. GOVERNING LAW. The validity, interpretation and performance of this Agreement shall be determined according to the laws of the State of California.
19. ENTIRE AGREEMENT/AMENDMENT. This Agreement, all exhibits to this Agreement, the Data Use Agreement, the RFP 2000000823 and related addenda, and Contractor's 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.
20. 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 A, Statement of Work; (3) Exhibit B, Rate Schedule; (4) Exhibit C, Order for Services Form; (5) Exhibit D, District Contractor Code of Conduct; (6) Request for Proposal No. 4400000823, issued May 27, 2015 and all addenda thereto; (7) Best and Final Offer dated July 10, 2015; and (8) Contractor's Proposal, dated June 22, 2015.

21. 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.

22. 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:

22.1. 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.

22.2. 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.

22.3. 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.

22.4 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.

23. INDEMNIFICATION

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

23.1. General Indemnity

23.1.1. 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.

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

23.2. 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 22 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.

23.3. 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:

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

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.

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.

Errors & Omissions (Professional Liability) coverage
\$1,000,000 per occurrence/ \$1,000,000 aggregate

Sexual Abuse and Molestation coverage
\$1,000,000 per occurrence/ \$1,000,000 aggregate

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

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.

24. 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.

25. FINGERPRINTING

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

- 25.1. 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").
- 25.2. 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.
- 25.3. 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.
- 25.4. 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.
- 25.5. 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.

26. BUDGET CONTINGENCY

26.1. 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.

26.2. 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.

27. STAFFING

Provider assumes full responsibility for workers' compensation insurance and for 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 Provider's staff and/or trainees providing services under this agreement.

28. PARENT CONSENT FOR SERVICES

Should services coordinated by Contractor include any form of medical or psychological services, including diagnostic services, treatment, or counseling, Contractor shall ensure that written parent consent is obtained on a District approved form prior to providing service(s) to a minor.

29. ORDERS FOR SERVICES

29.1. Orders for services listed and/or described in Exhibit A, and any related materials (including, but not limited to, textbooks, software, etc.) listed and/or described on Exhibit A shall be placed with Contractor by District schools, Local District offices and/or other District offices pursuant to the terms and conditions of this Agreement.

29.2. **Any school/office interested in purchasing under this Agreement shall use the District's "SAP Shopping Cart System" to place Orders for Services, as described below. Contractor shall not provide any services under this Agreement without first receiving a written Order Form for Services (as provided herein) and the copy of purchase order. A copy of the Order form is attached hereto as Exhibit C and made a part hereof for purposes of any purchases made pursuant to this Agreement.**

29.3. Contractor shall not accept any Orders for Services under this Agreement after the end of the period of Agreement stated in Section 1 of this Agreement. Performance of Services and the placement of Orders for Services may not continue past that date.

29.4. Individual Orders for Services shall be placed by District schools and/or offices with Contractor to request performance under this Agreement at the prices provided in Exhibit B. Contractor shall not accept any Order for Service under this Agreement

that does not indicate: (1) the name and/or description of the specific Services to be provided under that Order; (2) a line-item price for each Service and the total price for all Services to be provided under that Order; and (3) specific beginning and end dates for performance under that Order. The District assumes no liability for payment of any Order for Services that does not contain the information described herein and any other information required on the Order Form.

30. CONTRACTOR CERTIFICATIONS AND RESPONSIBILITIES

- 30.1. Contractor represents it is fully experienced and properly qualified to perform the Services to be provided under this Agreement and that it is properly equipped, organized and financed to perform hereunder.
- 30.2. Contractor shall be solely responsible for its staff providing Services under this Agreement. Contractor certifies that staff and/or trainees providing the Services hereunder are adequately trained and prepared according to prevailing professional standards for providing such Services and that personnel providing Services are appropriately licensed and/or otherwise legally qualified. Contractor certifies that it shall provide adequate supervision of the staff and/or trainees.
- 30.3. Contractor shall familiarize itself and perform all Services under this Agreement in accordance with federal, California and local (including District) law. The law may require compliance with standards applicable to the District, specifically, and/or school districts, generally, as well as municipal and public agencies, public and private utilities and special districts whose facilities and/or services may be affected by work under this Agreement. Contractor will hold harmless and indemnify the District from and against any loss, cost, liability, and expense (including attorney fees) arising out of any failure of Contractor to comply with the applicable law.
- 30.4. Contractor certifies that its staff will follow legal guidelines on reporting child abuse/neglect as required by California Penal Code § 11164. *et seq.*
- 30.5. Contractor certifies that all personnel providing Services to students are adequately screened so as to prevent the assignment of personnel who may pose a threat to the safety and welfare of students.
- 30.6. Contractor certifies it shall comply with Education Code section 49406 with respect to tuberculosis testing for its personnel who will have frequent or prolonged contact with District pupils or other Contractor staff as the District may identify.
- 30.7. Contractor shall be fully responsible for identifying, securing and maintaining, at its own expense, such licenses and permits as are required by law in connection with the Services to be performed under this Agreement. Copies of such licenses and permits shall be provided immediately to the District upon request. Contractor shall notify the District immediately of any suspension, termination, lapse, non-renewal or restriction of or on any required license or permit.
- 30.8. Contractor shall obtain an Employer Identification Number from the Internal Revenue Service ("IRS") and provide the District with a duly executed IRS Form W-9. Contractor acknowledges and agrees that Contractor shall be responsible for the preparation and filing of all tax returns, declarations and schedules, and for the payment of all taxes required, when due, with respect to any and all compensation earned by Contractor (including, but not limited to, any of its employees) under this Agreement. The District will not withhold any employment taxes from compensation it pays Contractor. The District instead will report the amount it pays Contractor on

IRS Form 1099 and/or as otherwise may be required under applicable federal, state and local law.

30.9. The District shall have the right, in its absolute discretion, to require the removal of Contractor's personnel or subcontractors at any level assigned to or hired for the performance of Services hereunder if the District considers such removal in its best interests and directs such removal in writing to Contractor. Upon receipt of such direction by the District, Contractor shall remove the personnel or subcontractor immediately and shall provide replacement personnel within a commercially reasonable time. Personnel or subcontractors removed at the direction of the District shall not perform additional Services under this Agreement at any time.

30.10. Contractor shall comply with each and every responsibility and certification made in this Agreement at no additional cost to the District.

31. WORK-BASED LEARNING PROGRAM (WBLP):

"Notwithstanding any other provision of this Agreement, Contractor hereby acknowledges that the District has determined to enter into this Agreement with Contractor in reliance, in part, on:

- A. The veracity of the representations made by Contractor in Contractor's Proposal,
- B. The quality of Contractor's proposed staff and
- C. The WBLP Plan included in Contractor's Proposal.

Contractor hereby warrants to provide the Services and the WBLP(s) in the manner represented in Contractor's Proposal.

Furthermore, with respect to Contractor's WBLP, Contractor acknowledges that:

The District is free to publicize its positive experiences with the Contractor and, if applicable, is also free to share, with other school districts or organizations that inquire, whatever frustrations it may have experienced in Contractor's implementation of Contractor's WBLP(s);

The District will, of course, share Contractor's name, information regarding Contractor's business and regarding Contractor's proposed WBLP(s) with District schools seeking partners;

The District will also identify Contractor in District documentation regarding the District's Linked Learning program;

The District may photograph participating Contractor representatives and publish those photographs in District promotional and reporting materials relating to the District's Linked Learning program; and

Should Contractor fail to provide the WBLP, in particular, as provided herein, then, in addition to all other remedies to which the District may be entitled, at law and in equity, the District may take Contractor's failure to perform as promised into consideration in the event Contractor is under consideration to provide services to the District in the future."

IN WITNESS WHEREOF the parties have executed this Agreement as of the Effective Date.

-DISTRICT-

LOS ANGELES UNIFIED SCHOOL DISTRICT

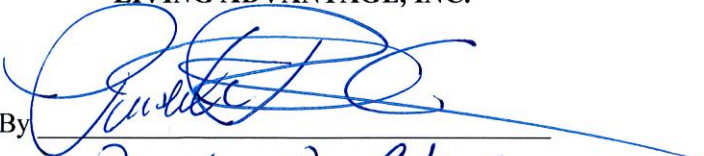
LOS ANGELES UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

By Bruce Trenbeth  _____
Contract Administration Manager
— Procurement Services Division —

Dated 12-10-15

-CONTRACTOR-

LIVING ADVANTAGE, INC.

By  _____
Pamela R. Clay
(Print Name)

— TITLE Executive Director —

Fed. I.D. #: 95-4447561

Dated 12/8/15

CONTRACT NO. 4400003953

STATEMENT OF WORK

EXHIBIT A

General Overview/Background:

The contractor is to provide a dropout prevention, early intervention, and intervention program that intersect the best practices of case management and educational intervention. Educational interventions must include a mentoring and tutoring component that is imbedded throughout the instructional day and afterschool to those students that meet the criteria and the ability to identify students at-risk of dropping out of high school. The program must provide comprehensive interventions supports focusing on increasing school attendance grades, increasing passing scores in English and Math, increasing high school graduation, and decreasing dropout rates.

The purpose of this in-school intervention is to provide personalized support for students who are in need of intensive academic interventions in order to improve their academic success. This in-school intervention program is to establish a contract for academic intervention programs tailored to students identified as at-risk of dropping out of school and or targeted student populations (foster children/youth, probation, students residing in-group homeless, pregnant and parenting teens).

Goal

The LAUSD goal is for students to achieve at least Proficient attendance by attending at a rate of 96% or higher. Proficient attendance is achieved and maintained by having no more than one absence for every 25 days of instruction and no more than seven absences during the entire school year. Chronic absence, a strong predictor of lower academic achievement, particularly for children living in poverty, is defined as missing 9% or more of the school year (Below Basic/Far below Basic attendance bands, 15 or more school days absent).

- LAUSD Performance Meter Goal: 76% of students should have 96% or higher attendance
- Increase the percentage of students attending at 96% or higher (7 or fewer absences in a school year) by 5% in Targeted Grade Level
- Increase the percent of students attending 173-180 days each school year (96% attendance rate) by 5% in Targeted Grade Level
- Decrease students missing 16 days or more each school year by 5% in Targeted Grade Level.

The LAUSD graduation rate for all high schools in 2013-14 was 70.4%. For comprehensive high schools, the graduation rate was 81.8%. LAUSD Performance Meter Goal and Local Control and Accountability Program (LCAP) goals 100% of Graduation for all Students.

Goal

- Increase 4-year cohort graduation rate for high school students attending high school
- Increase matriculation rate for middle school students to high school by 100%

LAUSD dropout rates declined from 2012-13 to 2013-14.

Dropout rates are now calculated as a Cohort Dropout rate (the number of students who dropped out of the cohort over the four-year period or did not graduate in four years). The Cohort Dropout Rate ranged from 4.5% to 24.1% among major urban districts. The state average was 11.6%. Compared to other urban districts in California, LAUSD's Cohort Dropout rate was the second highest at 17%.

Goal

- Decrease dropout rate by 2% in targeted high schools on an annual basis

Contractor is to establish an on-going system to increase academic success among students that are identified at-risk of failing grades in Mathematics and English. A key component of this Initiative's focus on in-school academic support, mentoring, positive behavior support, restorative justice practices, and case management.

1.0 Elementary and Secondary Schools (Middle and High Schools)

2.0 Requirements

- Improve graduation rate
- Improve attendance
- Improve behavior
- Reduce tardiness and absenteeism
- Data Protection Compliance including compliance with the Family Educational Rights and Protection Act (FERPA)
- Data Protection Compliance including compliance with the Health Insurance Probability and Accountability Act (HIPPA) Privacy Rule related to the use and disclosure of information.

3.0 Suggested Program Components

- Site administration support
- Tutoring
- Academic Counseling
- Role modeling

- Health awareness
- After –school/Extended day programs
- School spirit/sense of belonging
- Family outreach/involvement
- Supplemental programs
- Extracurricular activities and support
- Restorative Justice
- Positive Behavior Support

4.0 Deliverables

- Work plan approach
- Track Attendance performance
- Track passing grades in English and Math
- Student assessments
- Monthly/Quarterly progress reports
- Gather comprehensive data, analysis, and reporting on student progress towards academic success

Living Advantage, Inc.’s daily dropout prevention services program (DPS) is to provide high-quality academic, emotional and social service needs, supportive activities, to at-risk students, targeting junior and senior high school aged students. The Contractor will provide services between the hours of 8:00 am- 3:00 pm in a safe location on school grounds only during regular school days. The Contractor’s DPS is to be linked and integrated with the normal school day. However, as more schools are added, contract will increase the college student work-study programs and employment opportunities that can offer the contractor leverage to continue the same if not more hours on each campus while not exceedingly increasing budget. While leveraging community resources for measurable positive outcomes contractor will assist students by increasing their attendance. Living Advantage will tutor and mentor students to meet state and local academic achievement standards that will enable them to graduate or pass the high school exit examination. Living Advantage is to make a strong link but is not to replicate the same learning techniques and formats of the school day. As a comprehensive program, Living Advantage will strive to offer an alternative learning environment for students who are not experiencing success in a traditional school setting.

Steps	Staffing	Service Provided	Deliverables
1. Initial Introduction and processing of case.	<ul style="list-style-type: none"> • Program Manager • Senior Case Manager 	PROGRAM DEVELOPMENT	<ul style="list-style-type: none"> • Conduct Needs Assessment of school's needs, desired outcomes, and available resources • Construct institutional Program Service Plan
2. Management works to identify risk factors intervention strategy and provide resources that can address these risk factors.	Program Director WE CAN Tutor/Mentor Manager	STAFF DEVELOPMENT RISK MANAGEMENT QUALITY ASSURANCE	One strategy session per six-month cycle. Plan out staffing needs Orient staff to School's individualized plan Prepare for program's needs, and minimize risks, and create prevention and intervention strategies.

3. Initial assessment of the student	<p>Senior Case Manager</p> <p>Case Managers</p>	<p>CASE MANAGEMENT</p> <p>Assessment: 100 youth enrolled with receive an assessment of literacy, numeracy, family support and basic needs. Tiered approach, early intervention, intervention Individual/Family y Service Lesson Plan: Establishment Identify youth and family assets and strengths. Assist family in building a strength-based genogram agreements regarding plan to address 1-2 problem behaviors Linkages to Other Services: A plan for supportive services will be developed based on the individual needs of each youth and family.</p>	<p>Two face to face family meetings per six month cycle.</p> <p>Youth will meet at least monthly with DPS program staff.</p>
4. Incentivize Program for the individual school peers to participate	<p>Senior Case Manager</p> <ul style="list-style-type: none"> • Case Managers • Tutor • Mentors 	<p>Special marketing strategies designed for the individual student's sense of belonging, using positive behavior support, retention and recruitment</p> <p>Awards, certificates, field trips, parties, prizes</p>	<p>Retention and encouragement of recruitment</p>

5. Monthly Meetings/Workshops	<ul style="list-style-type: none"> • Senior Case Manager • Case Managers • Tutor • Mentors • PE/ Recreation 	<p>PARENT SUPPORT WORKSHOPS: will focus on strengthening parenting competencies in the area of positive family communication, effective child techniques, monitoring supervision, strategies, managing social media, adult role modeling, community resources and advocating with schools, probation, etc.</p> <p>LIFE AND SOCIAL SKILLS The Life Skills Curriculum will be used to teach life skills conduct workshops as part of the drop- out prevention services programming for clients.</p>	<p>Successful completion of parental support workshops series - offered monthly.</p> <p>Life Skills Improvement</p>
6. Health Improvement Activities & Seminars Recreation & Diversion	PE/ Recreation . Program Director . Mentors	<p>HEALTH AND WELLNESS Youth will engage in recreational activities enriching their knowledge and practice of physical activity and exercise, as well as proper nutrition, and general hygiene and wellness practice.</p>	Monthly to weekly programming provided, with activities included in all field trips and events

7. Gender Specific Programming	<ul style="list-style-type: none"> • Senior Case Manager • WE CAN Tutor/ Mentor Manager • Tutor • Mentor 	GENDER SPECIFIC EMPOWERMENT WORKSHOPS: Develop Your Positive Identity Health and Safety Assertiveness Training Building Positive Relationships Substance Abuse Prevention Decision Making Skills	At-risk girls will complete workshops series and will have increased self-efficacy as demonstrated using pre and post-tests.
8. LA Youth Jobs Program	LA, Inc.	JOB READINESS Eligible at risk, CalWORKS and foster youth will have access to paid job readiness workshops, vocational training programs, assistance with job search skills, opportunities to attend job fairs, and job placement assistance.	Students will receive assistance with paid job readiness and placement. Eligible youth will engage in paid work experience.
9. Program Completion /Graduation	ALL Staff		Academic achievement increases and days of attendances (online/in-person) increases, and classroom behavior improves and discipline occurrences decrease

DETAILED PROGRAM LOGIC MODEL

<div> • Goal: Decrease dropout rate by 2% in targeted high schools on an annual basis </div>			
Requirements	Program Components	Objectives	Deliverables
Reduce tardiness and absenteeism	<ul style="list-style-type: none"> ➤ Mentor tracking and on-site monitoring of student attendance ➤ Provide incentive for consistent attendance ➤ Home visits by Tutor/Mentor, Case Manager as needed 	<ul style="list-style-type: none"> ➤ Tracking information on file ➤ Documentation of incentives received ➤ Documentation of home visits made 	LAUSD Performance meter goal 76% of students should have attendance of 96% or higher. 5% decrease in students missing 16 days or more each school year in Targeted Grade Level and absenteeism based on baseline data at the end of year 1
Improve attendance	<ul style="list-style-type: none"> ➤ Provide one-to-one tutoring & extended year remediation ➤ Provide participant incentives for improved academic progress ➤ Provide opportunities to increase participants critical thinking skills through Service Learning ➤ Involve Participants in school-to-careers activities 	<ul style="list-style-type: none"> ➤ Tutoring opportunities provided 4 times per week ➤ Monthly incentives and recognition provided ➤ Three (3) community Service Learning Projects completed during each program year. ➤ Two documented activities per year i.e. job shadowing, job site visits. 	Increase the percent of students attending 173-180 days each school year (96%) attendance rate) by 5% in Target Grade level

Improve behavior	<ul style="list-style-type: none"> ➤ Involve mentees in weekly character building activities ➤ Provide seminars on conflict resolution and anger management ➤ Provide opportunities for role play to demonstrate appropriate skills ➤ Design individual behavior modification with positive behavior support and restorative justice 	<ul style="list-style-type: none"> ➤ Weekly sessions documented ➤ Quarterly seminars conducted and documented ➤ Documentations of mentees of participation ➤ Individual behavior plans on file 	5% decrease in expulsions, suspensions and disciplinary activities
Improve graduation rate	<ul style="list-style-type: none"> ➤ Provide one-to- one tutoring and, academic counseling ➤ Provide participant incentives for improved academic progress ➤ Provide opportunities to increase participants critical thinking skills through Service Learning ➤ Involve Participants in school-to-careers activities 	<ul style="list-style-type: none"> ➤ Tutoring opportunities provided 4 times per week ➤ Monthly incentives and recognition provided ➤ Three (3) community Service Learning Projects completed during each program year. ➤ Two documented activities per year i.e. job shadowing, job site visits. 	<p>Increase matriculation rate for middle school students attending high school by 100%.</p> <p>Increase 4-year cohort graduation rate for high school students attending high school</p>
Data Protection including compliance with the Family Educational Rights and Protection Act (FERPA)	<ul style="list-style-type: none"> ➤ Sensitive personal education data protected with procedural activities 	<ul style="list-style-type: none"> ➤ Documented authorization required for access 	100% compliance of education data with U.S. legal requirements during project.
Data Protection Compliance including compliance with the Health Insurance Probability and Accountability Act (HIPPA)	<ul style="list-style-type: none"> ➤ Provide parent forums explaining program standards ➤ Implement use of E-lockbox application for data storage 	<ul style="list-style-type: none"> ➤ Documented authorization required for access 	At least 5% increase in parental involvement by end of project year 1

CONTRACT NO. 4400003953

RATE SCHEDULE

EXHIBIT B

Living Advantage		
	Labor Category	Labor Hourly Rate
	Project Director*	\$31.01
	Project Manager*	\$28.00
	Site Coordinator*	\$20.00
	Senior Case Manager*	\$22.00
	Senior Tutor (Orientation & Training)*	\$22.00

*Payroll overhead shall not exceed 15%. General and Administrative Overhead shall not exceed 15%.

Living Advantage		
	Labor Category	Labor Hourly Rate
	Case Managers - Work-Study	\$4.50
	IT - Work-Study	\$4.50
	Tutor/Mentor - Work-Study	\$4.50
	PE Instructors - Work-Study	\$4.50
	Tutor/Mentor	\$0.00
	Volunteer	\$0.00

Allowance for Work-study, Unpaid Interns, and Unpaid Volunteer positions:

- Rate per mile is \$0.56 cents in accordance with Federal Mileage Standards Rate.
- Per Diem or Subsistence \$10.00 a day

Other Direct Costs. Estimated expenses shall be clearly defined, attached to the “Order for Services Form”, and approved by site administrator prior to commencement of work. District authorized reimbursable expenses shall be billed to the District as direct cost with no markup.

Pre-approved expenses shall be itemized and documented when invoiced. Additional documentation of expenses including receipts, shall be furnished by the Contractor to the District's Accounts Payable Section (Accounts Payable) upon request. Reimbursement of actual expenses, reasonably incurred, shall not exceed \$1,884 per school.

Subcontractors/Suppliers. Expenses related to community field trips, venues, busses, speakers, activity costs, STEM (Science, Technology, Engineering, and Math education) materials must be clearly identified, attached to the “Order for Services Form”, and approved by site administrator prior to commencement of work on Order for Service. Reimbursement of actual expenses, reasonably incurred, shall not exceed \$2,200 per school and shall be billed to the District as direct cost with no markup.

CONTRACT NO. 4400003953
ORDER FOR SERVICES FORM
EXHIBIT C

Order for Services No. _____ by the _____ (name of school requesting services) is effective as of _____, between the Los Angeles Unified School District (LAUSD) and **Living Advantage, Inc., Contract No. 4400003953.**

1. Scope of Services:

2. Period of Performance:

3. Deliverables:

4. Staffing and Rates:

IN WITNESS WHEREOF, the parties hereto have executed this Services Order under the Agreement referenced above.

LOS ANGELES UNIFIED SCHOOL DISTRICT

CONTRACTOR

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

CONTRACT NO. 4400003953

EXHIBIT D

LOS ANGELES UNIFIED SCHOOL DISTRICT

Contractor Code Of Conduct

(Adopted 11/02, revisions 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)

Cone of Silence ▲										
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	
Solicitation Announcement	Solicitation Release	Pre-proposal Conference	Proposal Due Date	Evaluation of Proposals	Negotiations	Notice of Intent to Award	Protest Review*	Public Posting of Board Report on Contract to be Approved	Board Approval or Ratification of Contract	
Contracting Process										

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

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

- (a) Prohibited Communication – Examples of prohibited communication by Contractors and their Representatives under the Cone of Silence include, but are not limited to:
- (i) contact of LAUSD Officials, including members of the department initiating a contract, or members who will serve on an evaluation team for any contract information that is not uniformly available to all other bidders, proposers or contractors;
 - (ii) contact of LAUSD Officials, including Board Members and their staff, to lobby on any aspect relating to a contract matter under consideration, negotiation, protest or dispute;
 - (iii) contact of LAUSD Officials in the particular department requesting a competitive contract to discuss other business or partnership opportunities.
- (b) Exceptions – The following are exceptions to the Cone of Silence:
- (i) open and uniform communications which are made as part of the procurement process such as the pre-bid or pre-proposal meetings or other exchanges of information which are given to all proposers;
 - (ii) interviews or presentations to evaluation committee members which are part of the procurement process;
 - (iii) clarification requests made in writing, under the terms expressly allowed for in an LAUSD contracting document, to the appropriate designated contract official(s);
 - (iv) negotiations with LAUSD's designated negotiation team members;
 - (v) protests which follow the process outlined by LAUSD's protest policies and procedures; and
 - (vi) requests for technical assistance approved by LAUSD contract officials (for example questions relating to LAUSD's Small Business Enterprise Program, or requests for formal guidance on ethics matters from the Ethics Office).
- (2) Non-Competitive Contracting Process – To ensure the integrity of the non-competitive contracting process, Contractors and their Representatives must maintain a Cone of Silence from the time when a proposal is submitted to LAUSD until the time the contract is fully executed. During this designated time, Contractors and their Representatives are prohibited from making any contact with LAUSD officials on any of the terms of the contract under consideration as this could appear to be an attempt to curry improper favor or influence. The only exceptions to this Cone of Silence are clarification requests made with the Contract Sponsor or the appropriate designated contract official(s) in the Procurement Services Group or Facilities Contracts Branch.

Examples of Maintaining the Cone of Silence

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

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

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

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

- D. *Manage Potential Conflicts* – Contractors shall disclose all potential or actual conflicts to LAUSD on an ongoing basis with a Meaningful Conflict Disclosure. A "Meaningful Conflict Disclosure" is a written statement to LAUSD which lays out full, accurate, timely, and understandable information with regard to any potential conflicts involving Contractors and their work for LAUSD. The specific requirements for a Meaningful Conflict Disclosure are set forth in Section 3.D.(2) below. LAUSD relies on these proactive disclosures by Contractors to manage potential conflicts before they become

actual conflicts of interest. A potential for conflict is present whenever a situation arises which creates a real or apparent advantage or a competing professional or personal interest for a Contractor. Such situations become conflicts of interest, if appropriate safeguards are not put into place. Examples of potential or actual conflicts include, but are not limited to situations when:

- a financial relationship (income, stocks, ownership, investments, loans, excessive gifts, etc.) or close personal relationship exists or has existed between a Contractor or its Representatives and a LAUSD official;
- a financial or close personal relationship exists between any officers, directors or key employees of a Contractor or its Representatives and a LAUSD official;
- a prior, current or potential employment relationship exists between a Contractor or its Representatives and a current or former LAUSD official;
- an overlap exists between work that a Contractor or its Representative performs or has performed for LAUSD and work he or she will perform on behalf of another client; or
- an opportunity arises in which a Contractor or its Representative can make a governmental decision within the scope of LAUSD contractual duties that impacts his or her personal financial interests or relationships,

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

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

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

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

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

Examples of Managing Potential Conflicts

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

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

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

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

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

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

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

Example of Seeking Advice

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

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

4. Relationship Management

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

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

E. *Respect Gift Limits* – Contractors and their Representatives shall abide by LAUSD’s gift limits and use good judgment, discretion and moderation when offering gifts, meals or entertainment or other business courtesies to LAUSD officials, so that they do not place LAUSD officials in conflict with any specific gift restrictions:

- (1) No Contractor or their Representative shall offer, give, or promise to offer or give, directly or indirectly, any money, gift or gratuity to any LAUSD procurement official at any time.
- (2) No Contractor or their Representative shall offer or give, directly or indirectly, any gifts in a calendar year to an LAUSD Official which exceed LAUSD’s allowable gift limit.

Example of Respecting Gift Limits

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

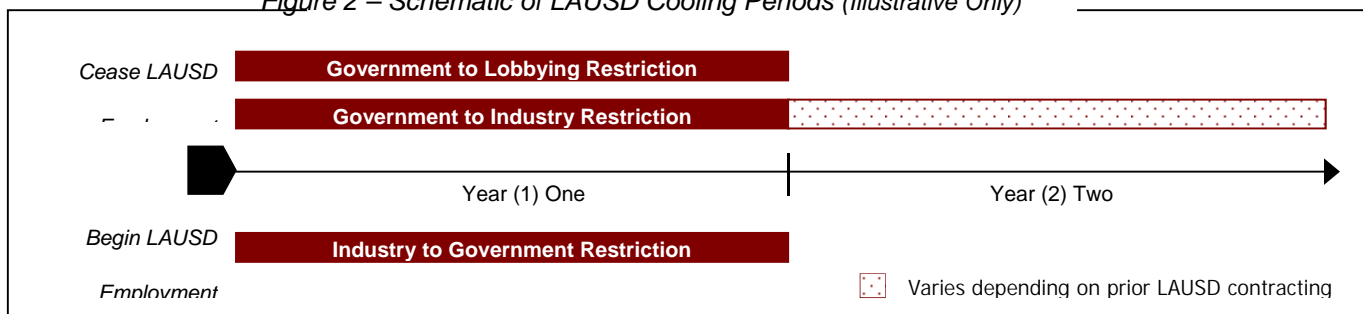
Assuming Sue is not attempting to take out any procurement officials (since they observe a zero tolerance policy on gifts), Sue needs to respect the Board-established gift limit for LAUSD officials. Sue should also be aware that giving a gift totaling over \$50 in a year to LAUSD officials will create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

Figure 2 – Schematic of LAUSD Cooling Periods (Illustrative Only)



- (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*
- D. Acting with the purpose or intent of placing an LAUSD official under personal obligation to any Contractor or its Representatives*
- E. 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*
- F. Conducting work on behalf of another client on a matter that would be reasonably seen as in conflict with work performed for LAUSD*
- G. 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*
- H. Knowingly deceiving or attempting to deceive an LAUSD official about any fact pertaining to any pending or proposed LAUSD decision-making*
- I. 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*
- J. Offering any favor, gratuity, or kickback to an LAUSD official for awarding, modifying, or providing preferential treatment relating to an LAUSD contract*
- K. Receiving or dispersing compensation contingent upon the defeat, enactment, or outcome of any proposed policy or action*
- L. Taking any action to circumvent LAUSD's system of controls or to provide misleading information on any documents or records*
- M. Using LAUSD assets and resources for purposes which do not support LAUSD's work*
- N. 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*
- O. 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

- P. 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.*

- Q. *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.