

**CITY OF LONG BEACH  
ETHICS COMMISSION  
Ad Hoc Committee on the Lobbyist Ordinance**

Lani De Benedictis, Commissioner  
J.P. Shotwell, Commissioner



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June 14, 2023

Ethics Commission  
City of Long Beach  
411 West Ocean Boulevard  
Long Beach, CA 90802

**RE: Ad Hoc Committee on the Vendor Code of Conduct Report for June 14 Meeting**

The Ad-Hoc Committee on the Vendor Code of Conduct (Committee) met with Commission staff six times over the last four months. At the Committee's direction, staff consolidated all of the input previously provided by the Commission on the initial draft Vendor Code of Conduct and benchmarked the vendor codes of California cities and companies. Guided by commissioner's input and the benchmarking, the Committee is proposing a revised Vendor Code of Conduct that is aspirational in nature, centered on the values adopted by the Ethics Commission, that will be provided to all procurement staff who interact with or conduct work in the City of Long Beach (City). Specific requirements should be addressed in contractual terms and conditions that are included in City contracts prospectively. The committee recommends the Vendor Code of Conduct be administered jointly by the Ethics Officer (EO) and the Financial Management Department, which houses the City's procurement process. The Committee and staff concur that current draft meets these objectives and is ready for the Ethics Commission's consideration.

In working on the Vendor Code of Conduct, the Committee also identified the following five policies that should apply across the entire city:

- Gifts, Meals and Entertainment
- Conflict of Interest
- Use of Assets
- Anti-Retaliation/Whistleblower
- Anti-Corruption

The committee believes that such policies should be adopted via a City resolution and welcomes continuing in its current form to work on the policies or recommends the Ethics Commission form a new ad hoc committee to consider the policies.

Thank you for your consideration.

Lani De Benedictis, Commissioner  
J.P. Shotwell, Commissioner

# VENDOR CODE OF CONDUCT

## *ANCHORED IN ETHICS*

The City of Long Beach (City) is committed to operating ethically as well as working to preserve public trust and confidence. We require that our partners act ethically in every aspect of their business. This Vendor Code of Conduct (Code) applies to any person, entity, vendor, contractor, consultants, and their subcontractors (collectively “vendors”) providing goods or services to or on behalf of the City. Vendors providing goods or services to or on behalf of the City are expected to share in the following core ethics values as provided in the [City of Long Beach Code of Conduct](#):

- Accountability—willingness to accept responsibility and account for one’s actions.
- Equity—ensuring fairness and due process.
- Impartiality—loyalty to the public good.
- Diversity—embracing histories, values, and ideas from all backgrounds, and recognizing their contribution to improving the City’s operations, services, and programs.
- Transparency—actions and practices that are open to public observation and scrutiny.
- Integrity— being truthful, seeking truth, and adherence to the City’s values.

Vendors are responsible to ensure its’ employees are aware of this Code, as well as all contractual requirements applicable to City work.

## **COMPLIANCE WITH LAWS AND REGULATIONS**

The City expects its vendors to operate in accordance with the principles contained in this Code and in full compliance with all applicable laws and regulations or standards of conduct equivalent to the City. It is critical that vendors do not undermine the competitive process. Vendors are expected to:

- Compete fairly and honestly for City business.
- Independently and honestly prepare and submit bids and proposals based upon their own costs and qualifications without colluding or otherwise obtaining information about a competitor’s proposal or bid to gain an unfair advantage.
- Not engage in corruption, extortion, embezzlement, kickbacks, or bribery to obtain an unfair or improper advantage in the competitive process.
- Perform fully, timely, and honestly in accordance with the terms of their contracts and to demonstrate their responsibility through a history of successful and honest performance.

## **CONFLICTS OF INTEREST**

## Vendor Code of Conduct

Vendors must avoid creating conflicts of interest with a City elected official, officer, employee, commissioner, or consultant of the City. A conflict of interest is a situation in which your responsibilities to your employer and City conflict with, or appear to conflict with, your private or personal interests. Vendors must never improperly benefit at the expense of the City.

**Statements of Economic Interest.** Where applicable by State law and the City's Conflict of Interest Code, vendors must comply with requirements for filing of Statement of Economic Interests (Form 700).

**Disclose Relationships.** Vendors must promptly disclose and attest if they (and their company employees or affiliates) have financial, familial, or personal relationships with City officials or employees that may be involved in their contract selection or contract administration processes. Any perceived or actual conflict of interest that may arise must be disclosed *prior* to entering an agreement with or providing services for the City.

Vendors must disclose any employee financial or family relationships with a City elected official, officer, employee, commissioner, or consultant of the City involved in their contract selection or administration as described in [Administrative Regulation 32-1](#). Furthermore, City management employees are prohibited from recommending or attempting to influence any contractor or business which has a business relationship with the City to employ a member of their immediate family.

**Disclose Gifts, Meals, and Entertainment.** Vendors are prohibited from offering a gift of any kind to a City employee or officer directly or indirectly which may influence or appear to influence the drafting of procurement requirements, evaluations, awards, or payments. Such an offer is not a "gift", it is a bribe. City employees must report attempts at bribery. "Gifts" include tickets, meals, entertainment, services, other business courtesies, and anything of value.

As a public entity, the City is required to comply with applicable state law and regulations relating to conflicts of interest, honoraria, and acceptance of gifts. The City regulates, and in most cases prohibits employees from accepting gifts, tickets, meals, entertainment, or other business courtesies where procurement is not involved. Vendors should know which City department they are working with and abide by the rules for that department. See [Administrative Regulation 8-2](#) and [Resolution No. RES-19-0098](#) regarding Tickets, Passes & Events.

## DIVERSITY, EQUITY, AND INCLUSION

## Vendor Code of Conduct

Vendors are expected to treat all people including employees and subcontractors of the vendor, the public, and City staff with respect and dignity with the intention of respecting and engaging the City's diverse communities and to ensure equitable and socially just programs and services are provided.

### HARASSMENT AND DISCRIMINATION

Vendors will conduct themselves in a professional manner and treat others with respect, fairness, and dignity. Vendors will comply with applicable federal, state, and local laws, rules, regulations, and statutes prohibiting harassment and discrimination.

### HEALTH AND SAFETY

Vendors must provide their employees with a safe work environment and integrate sound health and safety management practices into its business to detect, prevent and handle potential risks to health, safety, and security of employees. Vendors will follow all applicable laws relating to health and safety. Workers must have the right to refuse unsafe work and to report unhealthy working conditions. Vendors must provide employees with a copy of the vendor's health and safety guidelines and training in terms of equipment and work practices.

Vendors must identify, evaluate, and manage occupational health and safety hazards through prioritized process of hazard elimination, engineering controls, and/or administrative controls. Vendors must provide workers with job-related, appropriately maintained, personal protective equipment and instruction on its proper use.

### SUSTAINABILITY AND SOCIAL RESPONSIBILITY

Vendors must comply with environmental laws and policies. Vendors are expected to implement practices in line with the City's [Climate Action Plan](#) vision to create a more sustainable, resilient and equitable city by addressing climate change in a way that remedies existing environmental health disparities while also improving health, quality of life, and enhancing economic vitality throughout Long Beach.

### PROTECTION AND PROPER USE OF CITY ASSETS

Vendors will protect City property, physical assets and proprietary information. Vendors must investigate and take corrective action in response to suspected fraud, waste or abuse incidents perpetrated by employees, contractors/subcontractors and agents, and promptly report all findings of cases of fraud, waste or abuse to the City, as well as State and Federal regulatory agencies as applicable.

## Vendor Code of Conduct

### FINANCIAL INTEGRITY AND ACCOUNTABILITY

Vendors must maintain honest and accurate accounting and business records. Vendors must comply with all applicable laws and regulations and contractual terms related to management of records, wage and benefits, labor and cost reporting. Vendors must have processes to identify, understand, and implement applicable laws and regulations and requirements and must maintain documents and records to ensure regulatory compliance. Vendors may not alter records for any improper use, including unauthorized payment. The [Federal False Claims Act](#) and similar state laws make it a crime to present a false or fraudulent claim to the government for payment. Vendors must comply with all requirements of the Federal False Claims Act and similar state laws in its billing practices to the City.

### CONFIDENTIALITY

Vendors must protect the City's confidential or proprietary information from improper disclosure and must not use confidential or proprietary information for its own benefit or the benefit of any other person or entity.

### RAISING CONCERNS

Vendors must ensure that policies and procedures are in place to prevent and address retaliation, harassment, and abuse, or the threat of such, in the workplace.

Vendors and their representatives are encouraged to use one of the methods listed below to direct any questions or concerns about the Vendor Code of Conduct. For assistance resolving a concern or issues regarding contract terms, please work with your business contact.

If a vendor becomes aware of or suspects misconduct related to services or products, the City requires vendors to report any allegations of wrongdoing or misconduct relating to their work for the City, using one of the following methods:

- The vendor's internal ethics reporting process
- Your vendor management or business contact within the city
- The Helpline at \_\_\_\_\_ or \_\_\_\_\_. You may remain anonymous.

The City will assess its vendors' compliance with this Code. Any violations of this Code may jeopardize a vendor's relationship with the City, up to and including termination of any agreement.

## **Vendor Code of Conduct**

*This Code of Conduct is not a contract. It does not confer rights on any Vendor, nor does it impose obligations on the City. In case of conflict between this Code of Conduct and your Contract, the terms of your Contract shall prevail.*

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