

Date: January 11, 2023

To: Ethics Commission

From: Julian Cernuda, Assistant to the City Manager

Subject: **Vendor Code of Conduct Update – Commissioner Feedback**

On December 14, 2022, staff presented a draft Vendor Code of Conduct to the Ethics Commission (Commission). After initial discussion among Commissioners, the Commission approved a recommendation for Commissioners to provide staff with any suggestions on the draft Vendor's Code of Conduct and for staff to compile Commissioner feedback.

The attached document contains submitted Commissioner feedback for your consideration and next steps.

If you have any questions, please contact me at (562) 570-6154.

ATTACHMENT

CC: APRIL WALKER, ADMINISTRATIVE DEPUTY CITY MANAGER
HEATHER VAN WIJK, ETHICS OFFICER
TAYLOR ANDERSON, DEPUTY CITY ATTORNEY
JT NAGAYAMA, CITY CLERK ANALYST

City of Long Beach Vendor Code of Conduct

Commissioner Añorve Feedback

I. Purpose

The City of Long Beach (“the City”) is firmly committed to operating equitably and ethically as well as working to develop public trust and confidence. To ensure that all City goods and services provided to the community are high quality, the City is committed to the following values as laid out in the Long Beach Code of Conduct and Ethics:

- 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.

In furtherance of the City’s commitment to operating in a manner that is equitable, ethical, and that works to promote and preserve public trust and confidence, the City requires its vendors to operate in accordance with the principals in this City of Long Beach Vendor Code of Conduct (“Code”) and in full compliance with all applicable laws and regulations. This Code applies to any vendor, contractor, and their subcontractors or any person or entity (collectively “vendors”) providing goods or services to or on behalf of the City.

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

II. Vendor’s Responsibility

The vendor is responsible for ensuring this Code is (instead of is, **will be**) shared with all employees and subcontractors providing goods or services on behalf of or for the City. The vendor must notify all employees and subcontractors that reports of alleged Code violations may be made to 1-888-372-8307 and on the City’s online complaint form which may be found at www.longbeach.gov/. **[Consider adding something like: Complainants/whistleblowers will be provided with all requisite support, incl anonymity and will not be subject to harassment or retribution.]**

This Vendor Code of Conduct is not to be read in lieu of, but in addition to, a vendor's obligations as set forth in any contracts between the City and the vendor.

[Consider adding something like: Vendors will not refer or use the City's logos or materials without the City's prior written consent.]

III. Ethics

1. Vendors are expected to treat people including employees, the public, and City staff with respect and dignity. Furthermore, vendors shall always be ethical in every aspect of its business, including relationships, practices, sourcing, and operations.
2. Business Integrity, Gifts, and Courtesies
 - a. Vendors shall not engage in corruption, extortion, embezzlement, or bribery to obtain an unfair or improper advantage. The City is a public entity and required to comply with applicable state law and regulations relating to conflicts of interest, honoraria, and acceptance of gifts. As such, the City Manager prohibits its vendors from providing gifts, tickets, meals, entertainment, or other business courtesies to all City departments and offices directly responsible to the City Manager as defined in [Administrative Regulation 8-2](#).
 - b. Any tickets or passes which provide admission to any facility or event for an entertainment, amusement, recreational, or similar purpose to a City elected official, officer, employee, commissioner, or consultant of the City required to file an annual Statement of Economic Interest (FPPC Form 700), must be distributed in accordance with the City's Ticket Policy, [RES-19-0098](#).
3. Conflicts of Interest
 - a. Vendors shall comply with all applicable federal, state, and local laws and regulations pertaining to conflict of interest laws, including without limitation, the City's Conflict of Interest Code, the [California Political Reform Act](#) (Government Code Section 81000 et seq.), and Government Code Section 1090 et seq. (collectively, the "Conflict of Interest Laws"). Where applicable by State law and the City's Conflict of Interest Code, vendors shall comply with requirements for filing of Statement of Economic Interests (Form 700).

- b. Vendors shall promptly report to the City any perceived or actual conflict of interest that may arise prior to entering an agreement with or providing services for the City.
 - c. Vendors shall avoid conflicts of interest with City elected official, officer, employee, commissioner, or consultant of the City. Vendors shall disclose any employee financial or family relationships with 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](#).
 - d. Vendors¹ contractors shall attest they and their company employees do not have financial or family relationships with City officials or employees involved in their contract selection or contract administration processes, with such documentation maintained in bidder files.
 - e. **[consider adding subparagraph regarding compliance w laws and safeguarding confidential – personal and/or business information.]**
4. Exclusion from Government Programs – City will not do business with any vendor if it or any of its officers, directors or employees are, or becomes excluded by, debarred from, or ineligible to participate in any Federal or State program, whether as a contractor or grantee, or is convicted of a criminal offense in relation to the provision of health care. Vendors must disclose to the City if they are currently suspended, debarred or otherwise ineligible to participate in any Federal or State program, including Medicare or Medi-Cal.

IV. Business Practices

1. Protection of Property & Confidential or Proprietary Information – Vendors shall protect the City’s confidential or proprietary information, including member information, from improper disclosure and shall not use confidential or proprietary information for its own benefit or the benefit of any other person or entity. Vendors shall protect the City’s property, physical assets, and proprietary information provided to vendors from loss, theft, destruction, misappropriation, and misuse.
2. Fraud, Waste and Abuse – Vendors shall investigate and take corrective action in response to suspected Fraud, Waste or Abuse incidents perpetrated by employees, contractors/subcontractors and agents, and report to the City, as well as State and Federal regulatory agencies as applicable.

3. Documentation and Records – Vendors shall keep fair and accurate financial records in accordance with all federal and state laws and regulations. Vendors shall have processes to identify, understand, and implement applicable laws and regulations and requirements and shall maintain documents and records to ensure regulatory compliance. Vendors shall not alter its records for any improper use, including unauthorized payment.
4. Required Licenses, Credentials or Certifications – Vendors shall obtain and maintain valid licenses, permits, credentials, certifications, or registrations required to furnish goods or services to the City.
5. Record Management – Vendors shall maintain honest and accurate accounting and business records. Vendors shall comply with all applicable laws and regulations and any contractual terms related to management of records and reporting.
6. Corrective Action Process – Vendors shall have a process for timely correction of any deficiencies or violations identified by an internal or external audit, assessment, inspection, investigation, or review.
7. False Claims Act – 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 shall comply with all requirements of the Federal False Claims Act and similar state laws in its billing practices to the City.

V. Social Responsibility

1. In alignment with the [City's adopted resolution](#) and [Framework for Reconciliation](#), vendors must not utilize illegal or prison labor; require employees to lodge deposits or identity papers as a condition of employment; nor financially penalize workers for resigning.
2. Vendors must comply with [California Child Labor Laws](#) including Labor Code and Education Code. Vendors must also comply with jurisdictional laws when applicable.
3. Freedom of Association and Collective Bargaining – Vendors shall comply with the [National Labor Relations Act](#) and applicable jurisdictional laws.
4. Anti-Discrimination & Harassment
 - a. Vendors are expected to promote accountability and inclusivity among its employees. Vendors shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, AIDS, HIV status, marital status, age, gender,

sexual orientation, or any other basis that is inconsistent with federal or state statutes, the City Charter, local ordinances, resolutions, rules, or regulations. Vendors shall ensure that applicants for employment are employed, and that employees are treated during their employment, without regard to these bases. These actions shall include, but not be limited to, the following: employment upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. [In this paragraph or add a subparagraph to include something like: Vendors will prohibit and will not tolerate physical, mental, verbal or any other abuse. AND, consider adding something like: Disciplinary and grievance procedures should be documented and communicated to all employees. Also, I don't see the term/word "inclusion" as in diversity of its workforce in this document. I recall colleagues bringing this term up to the EC.]

- b. Vendors shall comply with [Long Beach Municipal Code Chapter 2.73 \("Equal Benefits Ordinance"\)](#) unless otherwise exempted by the provisions of the Ordinance.
 - c. 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 are responsible for ensuring that employees are informed of such policies and procedures prior to their application.
5. Wages and Benefits – Vendors shall ensure that all workers receive at least the legally mandated minimum wages and benefits, as required by law. Vendors shall communicate pay structure and pay periods to all workers, to the extent required by law. Vendors shall pay accurate wages in a timely manner, and wage deductions shall not be used as a disciplinary measure. Where a contract involves a "public work", as defined by the [California Labor Code](#) §§1720-1861, vendors shall comply with all requirements in California Labor Code §§1720-1861 including, but not limited to, requirements related to prevailing wages.
 6. Worker Health and Safety – Vendors shall provide and maintain a safe work environment and integrate sound health and safety management practices into its business. Workers shall have the right to refuse unsafe work and to report unhealthy working conditions.

Vendors shall provide employees of the vendor's health and safety guidelines and training in terms of equipment and work practices.

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

VI. Environmental Standards

1. Vendors shall comply with environmental laws, approvals or permits that relate to the vendor's product or service in all jurisdictions in which the vendor operates.
2. Vendors are expected to implement practices in line with the [Long Beach Climate Action Plan \(LB CAP\)'s](#) 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.
 - a. Vendors are expected to comply with relevant actions, to the extent feasible, in the LB CAP to support achieving established greenhouse gas emissions reductions targets and adaptation goals, including but not limited to the LB CAP Consistency Review Checklist.
3. Vendors are responsible for the identification, minimization, and management of the environmental impacts of a vendor's activities and goods. Typical environmental impacts include, but are not limited to, solid waste, wastewater discharges, air emissions, hazardous (toxic) substances and restricted substances, and resource use.

VII. Management Standards

1. Vendors responsible for implementing processes to comply with this Code and updating such processes when in violation of this Code. If necessary, the vendor is responsible to make any changes to the processes and procedures that govern the activities of the vendor to help ensure that further breaches of the Code do not occur in the future. The vendor is expected to have a system in place to:
 - a. Allow for continual improvement
 - b. Respond and report to Code violations
 - c. Identify non-compliance and address them through corrective action

VIII. Compliance

1. City reserves the right to request proof of compliance, inspection (by City or independent party) at any time.
2. Vendors are expected to maintain detailed enough records to satisfy proof of compliance for this Code and the terms of any agreement with the City.
3. If the City determines that a vendors' efforts to comply with this Code have been deficient and the vendor fails to cooperate in developing and implementing reasonable remedial steps, the City reserves the right to take appropriate actions up to and including termination of the contract with the vendor.
4. The City will take all necessary steps to investigate any potential violations of this Code and will take appropriate action to correct any violations or incorrect perceptions that are found to exist.
5. Vendors shall fully cooperate in any investigation by the City into the conduct of the vendor.
6. [consider, based on city resources, that the City will conduct random compliance checks. (At Dec mtg, the individual who responded to my questions said they only conduct checks/invs when and only there's a complaint.)]

City of Long Beach ~~Supplier~~ ~~Vendor~~ Code of Conduct

Commissioner De Benedictis Feedback

I. Purpose

The City of Long Beach (“the City”) is firmly committed to operating ~~equitably and~~ ethically as well as working to ~~preserve~~ ~~develop~~ public trust and confidence. To ensure that all City goods and services provided to the community ~~are~~ obtained and delivered in compliance with the law and the City’s compliance standards to assure the highest ethical standards. ~~quality,~~ The City is committed to the following values as ~~laid out~~ provided in the City of Long Beach Code of Conduct ~~and Ethics~~:

- 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.

~~In furtherance of the City’s commitment to operating in a manner that is equitable, ethical, and that works to promote and preserve public trust and confidence, the~~ The City requires its vendors to operate in accordance with the principles ~~of the~~ in this City of Long Beach Vendor Code of Conduct (“Code”) and in full compliance with all applicable laws and regulations ~~or standards of conduct equivalent to the City.~~ This Code applies to any vendor, contractor, and their ~~subcontractors~~ or any person or entity (collectively “vendors”) providing goods or services to or on behalf of the City.

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

II. Vendor’s Responsibility

The vendor is responsible for ensuring this Code is shared with all employees and subcontractors providing goods or services on behalf of or for the City. The vendor must notify all employees and subcontractors

Commented [DBLM(11): Recommend different language or inserting a definition of who this contemplates (e.g., subcontractors, suppliers, contingent/temporary and consultants). **Note:** *Subcontractors, consultants, and affiliates performing work for the City of Long Beach are expected to adhere to standards of conduct equivalent to the City’s ethics requirements and practices.*

Commented [DBLM(12): Given the recent reports/allegations do we want to mention consultants.

Commented [DBLM(13): Given recent reports/allegations do we want to mention ALL City (including elected, departments, etc?)

Commented [DBLM(14): Do we want to identifies who will assess? This should be clear or either name the assessing organization and a centralized assessment so determinations are centralized.

that reports of alleged Code violations may be made to 1-888-372-8307 and on the City's online complaint form which may be found at www.longbeach.gov/.

This Vendor Code of Conduct is not to be read in lieu of, but in addition to, a vendor's obligations as set forth in any contracts between the City and the vendor.

III. Ethics

1. As a member of the City's vendor community, it is essential that the Vendors adopt and/or comply with the City's Code of Conduct or the entity's Code of Conduct. Vendors are expected to treat people including employees, the public, and City staff with respect and dignity. Furthermore, vendors shall always be ethical in every aspect of its business, including relationships, practices, sourcing, and operations.
2. Business Integrity, Gifts, and Courtesies
 - a. City employees and vendors shall not engage in corruption, extortion, embezzlement, or bribery to obtain an unfair or improper advantage. The City is a public entity and required to comply with applicable state law and regulations relating to conflicts of interest, honoraria, and acceptance of gifts. As such, the City Manager prohibits its vendors from providing gifts, tickets, meals, entertainment, or other business courtesies to all City departments and offices directly responsible to the City Manager as defined in Administrative Regulation 8-2.
 - b. Any tickets or passes which provide admission to any facility or event for an entertainment, amusement, recreational, or similar purpose to a City elected official, officer, employee, commissioner, or consultant of the City required to file an annual Statement of Economic Interest (FPPC Form 700), must be distributed in accordance with the City's Ticket Policy, RES-19-0098. City employees...
3. Conflicts of Interest
 - a. Vendors shall comply with all applicable federal, state, and local laws and regulations pertaining to conflict of interest laws, including without limitation, the City's Conflict of Interest Code, the California Political Reform Act (Government Code Section 81000 et seq.), and Government Code Section 1090 et seq. (collectively, the "Conflict of Interest Laws"). Where applicable by State

Commented [DBLM(15)]: Is there any training requirement or should it be discussed?

Commented [DBLM(16)]: Does this AR contemplate City behavior. Recommend we scan and revise to embrace both the City and Vendor's actions.

Commented [DBLM(17)]: It is important to identify if this is a prohibited City action to accept or if there is a duty to disclose.

law and the City's Conflict of Interest Code, vendors shall comply with requirements for filing of Statement of Economic Interests (Form 700).

b. Vendors shall promptly report to the City any perceived or actual conflict of interest that may arise prior to entering an agreement with or providing services for the City.

c. Vendors shall avoid conflicts of interest with City elected official, officer, employee, commissioner, or consultant of the City. Vendors shall disclose any employee financial or family relationships with 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](#).

d. Vendors contractors shall promptly disclose and attest if they and their company employees or affiliates ~~do not~~ have financial or familial or personal relationships with City officials or employees that may be involved in their contract selection or contract administration processes, with such documentation maintained in bidder files.

4. Exclusion from Government Programs – City will not do business with any vendor if it or any of its officers, directors or employees are, or becomes excluded by, debarred from, or ineligible to participate in any Federal or State program, whether as a contractor or grantee, or is convicted of a criminal offense in relation to the provision of health care. Vendors must disclose to the City if they are currently suspended, debarred or otherwise ineligible to participate in any Federal or State program, including Medicare or Medi-Cal.

IV. Business Practices

1. Protection of Property & Confidential or Proprietary Information – Vendors shall protect the City's confidential or proprietary information, including member information, from improper disclosure and shall not use confidential or proprietary information for its own benefit or the benefit of any other person or entity. Vendors shall protect the City's property, physical assets, and proprietary information provided to vendors from loss, theft, destruction, misappropriation, and misuse.

2. Fraud, Waste and Abuse – Vendors shall investigate and take corrective action in response to suspected Fraud, Waste or Abuse incidents perpetrated by employees, contractors/subcontractors and agents, and promptly report to the City, as well as State and Federal regulatory agencies as applicable.

3. Documentation and Records – Vendors shall keep fair and accurate financial records in accordance with all federal and state laws and regulations. Vendors shall have processes to identify, understand, and implement applicable laws and regulations and requirements and shall maintain documents and records to ensure regulatory compliance. Vendors shall not alter its records for any improper use, including unauthorized payment.
4. Required Licenses, Credentials or Certifications – Vendors shall obtain and maintain valid licenses, permits, credentials, certifications, or registrations required to furnish goods or services to the City.
5. Record Management – Vendors shall maintain honest and accurate accounting and business records. Vendors shall comply with all applicable laws and regulations and any contractual terms related to management of records and reporting.
6. Corrective Action Process – Vendors shall have a process for timely correction of any deficiencies or violations identified by an internal or external audit, assessment, inspection, investigation, or review.
7. False Claims Act – 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 shall comply with all requirements of the Federal False Claims Act and similar state laws in its billing practices to the City.

V. Social Responsibility

1. In alignment with the [City's adopted resolution](#) and [Framework for Reconciliation](#), vendors must not utilize illegal or prison labor; require employees to lodge deposits or identity papers as a condition of employment; nor financially penalize workers for resigning.
2. Vendors must comply with [California Child Labor Laws](#) including Labor Code and Education Code. Vendors must also comply with jurisdictional laws when applicable.
3. Freedom of Association and Collective Bargaining – Vendors shall comply with the [National Labor Relations Act](#) and applicable jurisdictional laws.
4. Anti-Discrimination & Harassment
 - a. Vendors are expected to promote accountability and inclusivity among its employees. Vendors shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, AIDS, HIV status, marital status, age, gender,

Commented [DBLM(18): Recommend we vet Whistleblower requirements and if necessary Human Trafficking, Title IX – maybe some additional legal requirements since this draft.

sexual orientation, or any other basis that is inconsistent with federal or state statutes, the City Charter, local ordinances, resolutions, rules, or regulations. Vendors shall ensure that applicants for employment are employed, and that employees are treated during their employment, without regard to these bases. These actions shall include, but not be limited to, the following: employment upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

b. Vendors shall comply with [Long Beach Municipal Code Chapter 2.73 \(“Equal Benefits Ordinance”\)](#) unless otherwise exempted by the provisions of the Ordinance.

c. Vendors must ensure that policies and procedures in place to prevent and address retaliation, harassment, and abuse, or the threat of such, in the workplace. Vendors are responsible for ensuring that employees are informed of such policies and procedures prior to their application.

5. Wages and Benefits – Vendors shall ensure that all workers receive at least the legally mandated minimum wages and benefits, as required by law. Vendors shall communicate pay structure and pay periods to all workers, to the extent required by law. Vendors shall pay accurate wages in a timely manner, and wage deductions shall not be used as a disciplinary measure. Where a contract involves a “public work”, as defined by the [California Labor Code](#) §§1720-1861, vendors shall comply with all requirements in California Labor Code §§1720-1861 including, but not limited to, requirements related to prevailing wages.
6. Worker Health and Safety – Vendors shall provide and maintain a safe work environment and integrate sound health and safety management practices into its business. Workers shall have the right to refuse unsafe work and to report unhealthy working conditions. Vendors shall provide employees of the vendor’s health and safety guidelines and training in terms of equipment and work practices.
7. Occupational Health, Safety, and Hazard Prevention – Vendors shall identify, evaluate, and manage occupational health and safety hazards through prioritized process of hazard elimination, engineering controls, and/or administrative controls. Vendors shall provide

Commented [DBLM(19): Perhaps Whistleblower is entered here

workers with job-related, appropriately maintained personal protective equipment and instruction on its proper use.

VI. Environmental Standards

1. Vendors shall comply with environmental laws, approvals or permits that relate to the vendor's product or service in all jurisdictions in which the vendor operates.
2. Vendors are expected to implement practices in line with the [Long Beach Climate Action Plan \(LB CAP\)'s](#) 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.
 - a. Vendors are expected to comply with relevant actions, to the extent feasible, in the LB CAP to support achieving established greenhouse gas emissions reductions targets and adaptation goals, including but not limited to the LB CAP Consistency Review Checklist.
3. Vendors are responsible for the identification, minimization, and management of the environmental impacts of a vendor's activities and goods. Typical environmental impacts include, but are not limited to, solid waste, wastewater discharges, air emissions, hazardous (toxic) substances and restricted substances, and resource use.

VII. Management Standards

1. Vendors responsible for implementing processes to comply with this Code and updating such processes when in violation of this Code. If necessary, the vendor is responsible to make any changes to the processes and procedures that govern the activities of the vendor to help ensure that further breaches of the Code do not occur in the future. The vendor is expected to have a system in place to:
 - a. Allow for continual improvement
 - b. Respond and report to Code violations
 - c. Identify non-compliance and address them through corrective action

VIII. Compliance

1. City reserves the right to request proof of compliance, inspection (by City or independent party) at any time.
2. Vendors are expected to maintain detailed enough records to satisfy proof of compliance for this Code and the terms of any agreement with the City.

3. If the City determines that a vendors' efforts to comply with this Code have been deficient and the vendor fails to cooperate in developing and implementing reasonable remedial steps, the City reserves the right to take appropriate actions up to and including termination of the contract with the vendor.
4. The City will take all necessary steps to investigate any potential violations of this Code and will take appropriate action to correct any violations or incorrect perceptions that are found to exist.
5. Vendors shall fully cooperate in any investigation by the City into the conduct of the vendor.

City of Long Beach Vendor Code of Conduct

Vice Chair Pollack Feedback

I. Purpose

The City of Long Beach (“the City”) is firmly committed to ~~operating equitably and ethically,~~ ethical and equitable operations, ~~as well as working to foster and maintain develop~~ public trust and confidence. Ethics and compliance are a shared responsibility, with our workforce, our vendors, and all stakeholders committed to our values. To ensure that all City goods and services provided to the community are high quality, the City is committed to the following values as laid out in the Long Beach Code of Conduct and Ethics:

- 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.

In furtherance of the City’s commitment to ethical and equitable operations, ~~in a manner that is equitable, ethical, and that works to promote and preserve public trust and confidence,~~ the City ~~requires~~ expects its vendors to operate in accordance with the principles in this City of Long Beach Vendor Code of Conduct (“Code”) and in full compliance with all applicable laws and regulations. This Code applies to any vendor, contractor, and their subcontractors or any person or entity (collectively “vendors”) providing goods or services to or on behalf of the City.

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

II. Vendor’s Responsibility

Principles of Conduct~~The vendor is responsible for ensuring this Code is shared with all employees and subcontractors providing goods or services on behalf of or for the City. The vendor must notify all employees and subcontractors that reports of alleged Code violations may be made to 1-888-372-8307 and on the City’s online complaint form which may be found at www.longbeach.gov/.~~

Commented [BP1]: I would open without the outline structure so the document is more user accessible.

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~~This Vendor Code of Conduct is not to be read in lieu of, but in addition to, a vendor's obligations as set forth in any contracts between the City and the vendor.~~

III.1. Ethics

~~1.~~ Vendors are expected to treat people including employees, the public, and City staff with respect and dignity. ~~Furthermore, v~~endors shall ~~always~~ be ethical in every aspect of ~~their~~ business, including relationships, practices, sourcing, and operations.

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2.1. Business Integrity, Gifts, and Courtesies

a. Vendors shall not engage in corruption, extortion, embezzlement, or bribery to obtain an unfair or improper advantage. The City is a public entity and 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. As such, the City Manager prohibits its~~ vendors from providing gifts, tickets, meals, entertainment, or other business courtesies to ~~City employees. Vendors should know which department they are working with and abide by the rules for that department. See XXXX~~all City departments and offices directly responsible to the City Manager as defined in Administrative Regulation 8-2 and XXX.

b. Any tickets or passes ~~that~~which provide admission to any facility or event for an entertainment, amusement, recreational, or similar purpose to a City elected official, officer, employee, commissioner, or consultant of the City required to file an annual Statement of Economic Interest (FPPC Form 700), ~~will~~must be distributed in accordance with the City's Ticket Policy, RES-19-0098.

3.2. Conflicts of Interest

a. Vendors shall comply with all applicable federal, state, and local laws and regulations pertaining to conflict of interest laws, including without limitation, the City's Conflict of Interest Code, the California Political Reform Act (Government Code Section 81000 et seq.), and Government Code Section 1090 et seq. (collectively, the "Conflict of Interest Laws"). Where applicable by State law and the City's Conflict of Interest Code, vendors shall comply with requirements for filing of Statement of Economic Interests (Form 700).

b. Vendors shall promptly report to the City any perceived or actual conflict of interest that may arise prior to entering an agreement with or providing services for the City.

c. Vendors shall avoid conflicts of interest with a City elected official, officer, employee, commissioner, or consultant of the City. Vendors shall 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](#).

d. Vendors ~~contractors~~ shall attest they and their company employees do not have financial or family relationships with City officials or employees involved in their contract selection or contract administration processes, with such documentation maintained in bidder files.

Commented [BP2]: What does this section d. add to the last sentence of c? I think I must be missing something. Combine the two?

4.3. Exclusion from Government Programs – The City will not do business with any vendor if it or any of its officers, directors or employees are, or becomes excluded by, debarred from, or ineligible to participate in any Federal or State program, whether as a contractor or grantee, or is convicted of a criminal offense in relation to the provision of health care. Vendors must disclose to the City if they are currently suspended, debarred or otherwise ineligible to participate in any Federal or State program, including Medicare or Medi-Cal.

Commented [BP3]: Just health care? How about fraud?

Commented [BP4]: The contract attachment that implements this requirement needs revision for clarity. See ATT A to IFBs and my 2/9/22 email.

IV. II. Business Practices

1. Protection of Property & Confidential or Proprietary Information – Vendors shall protect the City's confidential or proprietary information, including member information, from improper disclosure and shall not use confidential or proprietary information for its own benefit or the benefit of any other person or entity. Vendors shall protect the City's property, physical assets, and proprietary information ~~provided to vendors~~ from loss, theft, destruction, misappropriation, and misuse.

Commented [BP5]: What is member information?

2. Fraud, Waste and Abuse – Vendors shall investigate and take corrective action in response to suspected Fraud, Waste or Abuse incidents perpetrated by employees, contractors/subcontractors and agents, and report all [substantiated] cases of fraud, waste or abuse on City matters to the City within 90 days of the incident, as well as State and Federal regulatory agencies as applicable.

3. Documentation and Records – Vendors shall maintain honest and accurate accounting and business records. Vendors shall comply with all applicable laws and regulations and any contractual terms related to management of records and reporting.

~~3. Vendors shall keep fair and accurate financial records in accordance with all federal and state laws and regulations.~~ Vendors shall have processes to identify, understand, and implement applicable laws and regulations and requirements and shall maintain documents and records to ensure regulatory compliance. Vendors shall not alter its records for any improper use, including unauthorized payment.

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4. Required Licenses, Credentials or Certifications – Vendors shall obtain and maintain valid licenses, permits, credentials, certifications, or registrations required to furnish goods or services to the City.

5. ~~Record Management—Fair Competition – Vendors shall compete fairly and honestly for City business. Vendors shall not share information or obtain information improperly to gain unfair advantage and may not work with other potential vendors to obtain unfair competitive advantage.~~ Vendors shall maintain honest and accurate accounting and business records. Vendors shall comply with all applicable laws and regulations and any contractual terms related to management of records and reporting.

6. Corrective Action Process – Vendors shall have a process for timely correction of any deficiencies or violations identified by an internal or external audit, assessment, inspection, investigation, or review.

7. False Claims Act – 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 shall comply with all requirements of the Federal False Claims Act and similar state laws in its billing practices to the City.

V-III. Social Responsibility

1. In alignment with the City's adopted resolution and Framework for Reconciliation, vendors must not ~~utilize~~use illegal or prison labor,~~;~~ require employees to lodge deposits or identity papers as a condition of employment,~~;~~ ~~nor~~ financially penalize workers for resigning.

2. Vendors must comply with California Child Labor Laws including Labor Code and Education Code. Vendors must also comply with jurisdictional laws when applicable.

3. *Freedom of Association and Collective Bargaining* – Vendors shall comply with the [National Labor Relations Act](#) and applicable jurisdictional laws.
4. *Anti-Discrimination & Harassment*
 - a. Vendors are expected to promote accountability and inclusivity among its employees. Vendors shall not discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, AIDS, HIV status, marital status, age, gender, sexual orientation, or any other basis that is inconsistent with federal or state statutes, the City Charter, local ordinances, resolutions, rules, or regulations. Vendors shall ensure that applicants for employment are employed, and that employees are treated during their employment, without regard to these bases. These actions shall include, but not be limited to, the following: employment upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
 - b. Vendors shall comply with [Long Beach Municipal Code Chapter 2.73 \(“Equal Benefits Ordinance”\)](#) unless otherwise exempted by the provisions of the Ordinance.
 - c. Vendors must ensure that policies and procedures in place to prevent and address retaliation, harassment, and abuse, or the threat of such, in the workplace. Vendors are responsible for ensuring that employees are informed of such policies and procedures prior to their application.
5. *Wages and Benefits* – Vendors shall ensure that all workers receive at least the legally mandated minimum wages and benefits, as required by law. Vendors shall communicate pay structure and pay periods to all workers, to the extent required by law. Vendors shall pay accurate wages in a timely manner, and wage deductions shall not be used as a disciplinary measure. Where a contract involves a “public work”, as defined by the [California Labor Code](#) §§1720-1861, vendors shall comply with all requirements in California Labor Code §§1720-1861 including, but not limited to, requirements related to prevailing wages.
6. *Worker Health and Safety* – Vendors shall provide and maintain a safe work environment and integrate sound health and safety management practices into its business. Workers

shall have the right to refuse unsafe work and to report unhealthy working conditions. Vendors shall provide employees with a copy of the vendor's health and safety guidelines and training in terms of equipment and work practices.

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

VI.V. Environmental Standards

1. Vendors shall comply with environmental laws, approvals or permits that relate to the vendor's product or service in all jurisdictions in which the vendor operates.
2. Vendors are expected to implement practices in line with the Long Beach Climate Action Plan (LB CAP)'s 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.
 - a. Vendors are expected to comply with relevant actions, to the extent feasible, in the LB CAP to support achieving established greenhouse gas emissions reductions targets and adaptation goals, including but not limited to the LB CAP Consistency Review Checklist.
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Vendors are responsible for to implementing processes to comply with this Code and to updateing such processes when in violation of this Code. The vendor shall share this Code with all employees and subcontractors engaged in provision of goods or services on behalf of or for the City. The vendor must notify all employees and subcontractors that reports of alleged Code violations shall be made to 1-888-372-8307 or on the City's online complaint form at www.longbeach.gov/??.

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- 1- ~~If necessary, t~~The vendor is responsible to make any changes to the processes and procedures that govern the activities of the vendor to help ensure that further breaches of the Code do not occur ~~in~~ ~~the future~~. The vendor is expected to have a system in place to:
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- 1- ~~The~~ City reserves the right to request proof of compliance, inspection (by City or independent party) at any time.
- 2- ~~Vendors~~ are expected to maintain detailed enough records to satisfy proof of compliance for this Code and the terms of any agreement with the City.
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- 4- The City will take all necessary steps to investigate any potential violations of this Code and will take appropriate action to correct any violations or incorrect perceptions that are found to exist.
- 5- ~~Vendors shall fully cooperate in any investigation by the City into the conduct of the vendor.~~

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City of Long Beach Vendor Code of Conduct

Commissioner Wise Feedback

I. Purpose

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- 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.

In furtherance of the City’s commitment to operating in a manner that is equitable, ethical, and that works to promote and preserve public trust and confidence, the City requires its vendors to operate in accordance with the principals in this City of Long Beach Vendor Code of Conduct (“Code”) and in full compliance with all applicable laws and regulations. This Code applies to any vendor, contractor, and their subcontractors or any person or entity (collectively “vendors”) providing goods or services to or on behalf of the City.

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

II. Vendor’s Responsibility

The vendor is responsible for ~~sharing~~ensuring this Code ~~is~~ shared with all employees and subcontractors of the vendor who are providing goods or services on behalf of or for the City. The vendor must notify all such employees and subcontractors that reports of alleged Code violations may be made to 1-888-372-8307 and on the City’s online complaint form which may be found at www.longbeach.gov/.

This Vendor Code of Conduct is not to be read in lieu of, but in addition to, a vendor's obligations as set forth in any contracts between the City and the vendor.

III. Ethics

1. Vendors are expected to treat all people including employees and subcontractors of the vendor, the public, and City staff with respect and dignity. Furthermore, vendors shall always be ethical in every aspect of its business, including relationships, practices, sourcing, and operations.

2. Business Integrity, Gifts, and Courtesies

a. Vendors shall not engage in corruption, extortion, embezzlement, or bribery to obtain an unfair or improper advantage. The City is a public entity and required to comply with applicable state law and regulations relating to conflicts of interest, honoraria, and acceptance of gifts. As such, the City Manager prohibits its vendors from providing gifts, tickets, meals, entertainment, or other business courtesies to all City departments and offices directly responsible to the City Manager as defined in [Administrative Regulation 8-2](#).

b. Any tickets or passes which provide admission to any facility or event for an entertainment, amusement, recreational, or similar purpose to a City elected official, officer, employee, commissioner, or consultant of the City required to file an annual Statement of Economic Interest (FPPC Form 700), must be distributed in accordance with the City's Ticket Policy, [RES-19-0098](#).

3. Conflicts of Interest

a. Vendors shall comply with all applicable federal, state, and local laws and regulations pertaining to conflict of interest laws, including without limitation, the City's Conflict of Interest Code, the [California Political Reform Act](#) (Government Code Section 81000 et seq.), and Government Code Section 1090 et seq. (collectively, the "Conflict of Interest Laws"). Where applicable by State law and the City's Conflict of Interest Code, vendors shall comply with requirements for filing of Statement of Economic Interests (Form 700).

Commented [SW1]: This section is not clear. It seems to say a vendor can't give anything and then suggests there may be a way. How does the reference in this part 2a, which seems to pertain to all employees, relate to the ticket policy in section 2b which seems to apply only to those employees who must file Form 700's? Why doesn't AR 8-2 refer to the City's Ticket policy that is cited in part 2b? Why not just tell them to give anything they want to give away to the City to give it directly to the Ticket Administrator?

Commented [SW2]: In situations where vendors have to file 700 forms, should they be required to provide copies of the filing to the City?

- b. Vendors shall promptly report to the City any perceived or actual conflict of interest that may arise prior to entering an agreement with or providing services for the City.
 - c. Vendors shall avoid conflicts of interest with City elected official, officer, employee, commissioner, or consultant of the City. Vendors shall disclose any employee financial or family relationships with 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](#).
 - d. Vendors **and their sub**contractors shall attest they and their company employees do not have financial or family relationships with City officials or employees involved in their contract selection or contract administration processes, with such documentation maintained in bidder files.
4. Exclusion from Government Programs – City will not do business with any vendor if it or any of its officers, directors or employees are, or becomes excluded by, debarred from, or ineligible to participate in any Federal or State program, whether as a contractor or grantee, or is convicted of a criminal offense in relation to the provision of health care. Vendors must disclose to the City if they are currently suspended, debarred or otherwise ineligible to participate in any Federal or State program, including Medicare or Medi-Cal.

Commented [SW3]: Is this section saying that the documentation of that attestation will be kept in their bidding file?
If so, is that the burden of the City to keep it or the vendor? It would seem that the retention obligation best belongs with the City to keep and would best be done by a form that is the part of every contract and/or bid submitted.

IV. Business Practices

1. Protection of Property & Confidential or Proprietary Information – Vendors shall protect the City’s confidential or proprietary information, including member information, from improper disclosure and shall not use confidential or proprietary information for its own benefit or the benefit of any other person or entity. Vendors shall protect the City’s property, physical assets, and proprietary information provided to vendors from loss, theft, destruction, misappropriation, and misuse.
2. Fraud, Waste and Abuse – Vendors shall investigate and take corrective action in response to suspected Fraud, Waste or Abuse incidents perpetrated by employees, contractors/subcontractors and agents, and report to the City, as well as State and Federal regulatory agencies as applicable.
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V. Social Responsibility

1. In alignment with the [City's adopted resolution](#) and [Framework for Reconciliation](#), vendors must not utilize illegal or prison labor; require employees to lodge deposits or identity papers as a condition of employment; nor financially penalize workers for resigning.
2. Vendors must comply with [California Child Labor Laws](#) including Labor Code and Education Code. Vendors must also comply with jurisdictional laws when applicable.
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~~employed employment~~, and that employees are treated during their employment, without ~~discrimination regard to on any prohibited these~~ basis. These ~~standards shall apply to actions shall include~~, but not be limited to, the following: employment upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

b. Vendors shall comply with [Long Beach Municipal Code Chapter 2.73 \("Equal Benefits Ordinance"\)](#) unless otherwise exempted by the provisions of the Ordinance.

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Date: December 14, 2022
To: Ethics Commission
From: Julian Cernuda, Assistant to the City Manager
Subject: **Vendor Code of Conduct Update**

On March 24, 2021 the Ethics Commission approved an Action Plan to provide direction for the Commission's work.

The attached Vendor's Code of Conduct draft and presentation correspond to the Action Plan's Ethics Resources Workstream 2.6 – Develop a Supplier Code of Conduct.

If you have any questions, please contact me at (562) 570-6154.

ATTACHMENTS

CC: APRIL WALKER, ADMINISTRATIVE DEPUTY CITY MANAGER
HEATHER VAN WIJK, ETHICS OFFICER
TAYLOR ANDERSON, DEPUTY CITY ATTORNEY
JT NAGAYAMA, CITY CLERK ANALYST

City of Long Beach Vendor Code of Conduct

I. Purpose

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1. City reserves the right to request proof of compliance, inspection (by City or independent party) at any time.
2. Vendors are expected to maintain detailed enough records to satisfy proof of compliance for this Code and the terms of any agreement with the City.
3. If the City determines that a vendors' efforts to comply with this Code have been deficient and the vendor fails to cooperate in developing and implementing reasonable remedial steps, the City reserves the right to take appropriate actions up to and including termination of the contract with the vendor.

4. The City will take all necessary steps to investigate any potential violations of this Code and will take appropriate action to correct any violations or incorrect perceptions that are found to exist.
5. Vendors shall fully cooperate in any investigation by the City into the conduct of the vendor.