

Los Angeles Fire & Police Pension System

9.0 - MARKETING CESSATION POLICY

PURPOSE

- 9.1 The purpose of this policy is to prevent, and avoid the appearance of, undue influence on the Board or any of its members, or on Staff, in the award of all contracts. This policy is intended to align with the City's Governmental Ethics Ordinance, Section 49.5.11(A).

Restrictions on Contact and Prohibition on Gifts

During the relevant period, as described below, firms covered by this policy are prohibited from any contact with Department Staff and the Consultant except for: (1) meetings with the Consultant; (2) providing information to Staff or the Consultant; (3) meeting at the Department's office with Staff; and (4) any Staff and Consultant due diligence site visits. Firms covered by this policy shall not have any contact with Board members during the relevant period other than at public Board meetings.

During the relevant period, Board members, Department Staff, and the Consultant will accept no gifts of any kind or value from a firm covered by this policy, except for food at an annual general meeting or a due diligence office visit.

Notification of this policy will be sent to firms considered by Staff or the Consultant to be interview candidates, and firms covered by this policy shall be listed in the Board's monthly report.

Public or Semi-Public Investment Services

For firms investing in public or semi-publicly traded securities or other similar services, this policy shall apply to firms meeting the search criteria from the time the search begins (with the Board's approval of the minimum criteria for the search), until the time the search ends (with the selection of the firm(s) to receive the contract(s)).

Private Equity and Real Estate Investments

For private equity investments and real estate investments in closed or open-ended funds, the marketing cycle is different from investment firms that provide services relating to public investments. Private equity funds and closed end real estate funds have a marketing period that opens and closes sporadically and open-ended funds are generally open to new business most of the time. For investments like these, this policy shall apply during any time in which the fund managed by the firm is open to new business.

Renewals and Additional Commitments

For firms currently managing money for the Fund in the public markets whose

contract is up for renewal within three months, or firms currently managing private equity or real estate funds for LAFPP that are open to new investors or raising a new fund, the same restrictions apply with the following exceptions.

Board members, Department Staff and the Consultant will accept no gifts from that firm until a decision regarding the firm or fund (renewal or additional commitment) has been made. Meals available to all the attendees at an annual meeting are not considered to be gifts to Staff or the Consultant however, normal gift limits would apply in this case.

Firms managing money in the public markets who currently have contracts with the Los Angeles Fire and Police Pension System may continue contact related to the existing contract with Staff and the Consultant, but any contact with Board members must be limited to Board meetings.

Contract Disclosures Prior to Interview

Prior to the interview with the Board, firms that are invited to interview with the Board, at the time of the interview, will be required to submit a list of contacts. The list of contacts shall indicate all contacts with Board members and Consultants during the three-month period prior to the interview or during the search period, whichever is longer.¹

The City's Governmental Ethics Ordinance Section 49.5.11 states:

"Except at a public meeting, a member of a City board or commission shall not participate in the development, review, evaluation, or negotiation of or the recommendation process for bids, proposals, or any other requests for the award or termination of a contract, amendment, or change order involving that board, commission, or agency. This does not preclude individual members from reviewing documents and other information provided by agency staff when preparing for a public meeting at which the matter will be considered." (Amended 06/14/15)

Any violation of this policy shall result in automatic disqualification of the firm.

HISTORY

9.2 Adopted: 02/07/02

Revised:
01/04/2007 06/05/2015 04/16/2020
09/03/2009 08/16/2018
03/03/2011 09/06/2018
09/18/2014 10/03/2019

¹See section 1.18.F.1 and 1.18.I.e of the Ethics Policy, also referred to as the Contractor Disclosure Policy, which can be found in the Board Operating Policies and Procedures.