

PROCEDURES FOR PROFESSIONAL SERVICES
CONTRACTS PURSUANT TO ACT 44 of 2009

1. Section 702-A of Act 44 of 2009, Pa.Stat.Ann.tit 53, § 895.101 *et seq.*, requires each municipal pension system to develop procedures related to contracts for the provision of professional services, including investment services, legal services, real estate services and other consulting services. The City of Erie Officers and Employees Retirement Plan (the “Retirement Plan”) hereby enacts these procedures governing the selection of applicants for all professional services contracts.

2. **Advertisement.** Prior to entering into a professional services contract the Retirement Plan shall timely advertise the availability of a proposal for a professional services contract and shall set forth:

- a. the services that are the subject of the proposed contract;
- b. specifications relating to the services;
- c. procedures to compete for the contracts; and
- d. a list of the required disclosures contained on the attached Act 44 Disclosure Form.

3. **Limitation on Communication.** Once the notice for a professional services contract is advertised, communication between bidders and municipal officials and employees is prohibited, except requests for technical clarification. Requests for technical clarification shall be made by a designated employee of the Retirement Plan. Applicants are permitted to respond to requests for clarification or additional information from the Retirement Plan.

4. **Review.** The Retirement Plan shall review each submitted proposal to select the most qualified person and shall review relevant factors including, but not limited to, the following:

- a. the person's qualifications, experience and expertise;
- b. the compensation to be charged;
- c. approach to managing risk and research capabilities;
- d. knowledge of Act 205 & Act 600;
- e. ability to attend meetings;
- f. references;

- g. ultimate confidence bidder is able to meet the municipality's goals and address the municipality's concerns; and
- h. any other criteria deemed by the Retirement Plan to be of importance to the particular services sought.

5. **Personnel.** Prior to entering into a professional services contract with an applicant, the Retirement Plan shall require disclosure from the applicant of all information contained on the Act 44 Disclosure Form attached hereto.

6. **Conflict of Interest.** The Retirement Plan shall place a minimum one (1) year restriction on:

- a. Participation by a former employee of a contractor or potential contractor in the review of a proposal or negotiation of a contract with that contractor.
- b. Participation by a former employee of the Retirement Plan in the submission of a proposal or the performance of a contract.

7. **Notice and Summary.** The Retirement Plan shall summarize in a written statement the relevant factors that resulted in the award of the professional services contract. The written statement shall be included in or attached to the documents awarding the contract. Within ten (10) days of the award of the professional services contract, the Retirement Plan shall transmit the original application, a summary of the basis for the award and all required disclosure forms to all unsuccessful applicants and post the same on the Retirement Plan's Internet website at least seven (7) days prior to the execution of the professional services contract.

8. **Contributors.** The Retirement Plan shall not enter into a professional services contract with a person or an affiliated entity that, within the past two years, has made a contribution to a municipal official or candidate for municipal office in the City of Erie.

9. **Relationships.** The Retirement Plan shall not enter into a professional services contract with a person or an affiliated entity that has a direct financial, commercial or business relationship with any official of the Retirement Plan or the City of Erie unless the Retirement Plan consents in writing to the relationship following full disclosure.

10. **Public Information.** Following the award of a professional services contract, the Retirement Plan shall make all applications and disclosure forms public except for proprietary information or other information protected by law.

11. **Increase.** The Retirement Plan shall not amend a professional services contract to increase the cost of the contract by more than 10% or \$10,000, whichever is greater, unless the increase and a written justification for the increase are made public and posted on the Retirement Plan's Internet website at least seven (7) days prior to the effective date of the amendment.

12. **Gifts.** The Retirement Plan shall not accept any gift having more than a nominal value, including money, services, loans, travel, lodging, entertainment, discount or other thing of value, from a contractor with a professional services contract with the Retirement Plan.

13. **Forms.** The Retirement Plan shall post the Act 44 Disclosure Forms of all contractors with which it has entered into a professional services contract on its Internet website. During the term of the contract, the Retirement Plan shall require each contractor to complete an updated Act 44 Disclosure Form annually.

14. **Penalties.**

- a. The Retirement Plan shall void the professional services contract of any contractor that knowingly makes a material misstatement or omission in the Act 44 Disclosure Form and shall prohibit the contractor from entering into a professional services contract with the Retirement Plan for a period of up to three years.
- b. If a contractor or person that has submitted a proposal or bid in violation of subparagraph a. more than two times in a 36-month period, the Retirement Plan shall void all contracts between that contractor and the Retirement Plan and shall debar that contractor or person for a period of at least three years from the date of the last violation.