

City of Pittsburgh Comprehensive Municipal Pension Trust Fund

Conflict of Interest Policy in Regard to the Procurement of Professional Services Contracts

Section 1. Purpose.

The purpose of this conflict of interest policy of the City of Pittsburgh Comprehensive Municipal Pension Trust Fund ("Pension Trust Fund") is to identify situations that present potential conflicts of interest in regard to the procurement of professional services contracts. This policy is being adopted pursuant to Section 702-A(e) of the Municipal Pension Plan Funding Standard and Recovery Act ("Act"). This policy is intended to supplement but not replace any applicable local, state and federal laws governing conflict of interest applicable to the Pension Trust Fund, including but not limited to the City of Pittsburgh Code of Ordinances, chapter 197 and section 161.17, the Home Rule Charter of the City of Pittsburgh, the City of Pittsburgh Professional Services Contract Competitive Process Verification Policy, and the Pennsylvania Public Official and Employee Ethics Act (65 Pa.C.S. § 1101.1 *et seq.*).

Section 2. Definitions.

"Business Relationship". Any financial, commercial or business relationship.

"City Employee." Any individual serving as an official or employee of the City of Pittsburgh.

"Conflict of Interest." As defined in Section 3 of this policy.

"Contractor." Any individual or business entity who has submitted a proposal to the Pension Trust Fund for a professional services contract.

"Contractor Employee." Any individual employed by a Contractor in any capacity.

"Direct Family Member." A parent, spouse, child, sibling, grandparent or grandchild.

"Financial Interest." A current or potential ownership or investment interest or compensation arrangement.

"Municipal Pensions." The Pension Trust Fund; the City of Pittsburgh Municipal Employees' Pension Plan; the City of Pittsburgh Police Pension Plan; and the City of Pittsburgh Fire Fighters' Pension Plan.

"Pension Trust Fund Board Member." A member of any of the board of trustees of the Pension Trust Fund.

“Professional Services Contract.” A contract to which a Municipal Pension is a party that is:

- (1) for the purchase or provision of professional services, including investment services, legal services, real estate services and other consulting services; and
- (2) not subject to a requirement that the lowest bid be accepted.

Section 3. Conflict of Interest.

- A. No Municipal Pension Employee or Pension Trust Fund Board Member, who was employed by a Contractor or potential Contractor within the prior twelve months, shall participate in the review of the Contractor’s proposal or review of competing applicants’ proposals; or in the negotiation of a Professional Services Contract with the Contractor.
- B. No Contractor Employee, who was employed by the Municipal Pensions or was a Pension Trust Fund Board Member within the prior twelve months, shall participate in the submission of a proposal for a Professional Services Contract by the Contractor or in the performance of any Professional Services Contract between the Municipal Pensions and the Contractor.
- C. A person or affiliated entity that enters into a Professional Services Contract with a Municipal Pension System may not have a direct financial, commercial or business relationship with any employee or official of the Municipal Pension System or the City of Pittsburgh unless the Municipal Pension consents in writing to the relationship following full disclosure.

C.i. Determining Whether a Conflict of Interest Exists Under Section 3.C.: After disclosure of the potential Conflict of Interest by either the Contractor or potential Contractor as provided for in Section 3, the Board of Trustees shall review all material facts, including discussions with any interested persons, and then determine if a conflict of interest exists.

C.ii. Procedures for Addressing Conflicts of Interest Under Section 3.C.: In the event the Board of Trustees determines that a Conflict of Interest exists, the Board shall take appropriate action, which may include the Municipal Pension (a) not accepting a proposal for a Professional Services Contract from the Contractor or potential Contractor, (b) not considering a proposal for a Professional Services Contract submitted by a Contractor or potential Contractor, or (c) terminating an existing Professional Services Contract.

Section 4. Review of Policy.

Each Municipal Pensions’ Employee; Municipal Pensions Board Member and potential applicants for a Professional Services Contract shall be provided with a copy of this Policy.