

DST POLICIES AND PROCEDURES

Section II: Human Resources
Title: Employee Relations
Chapter: No Contact Policy
Current Effective Date: March 1, 2010
Revision History:
Original Effective Date: March 1, 2010

Background

Part of the mission of the Department of State Treasurer (“DST”) is to model excellence in state government through accountability. In addition, DST has adopted the value of integrity striving to maintain the highest ethical standard. As recommended from DST’s independent review and evaluation of the Investment Management Division, the “No Contact Policy,” as is set forth below, meets DST’s mission and value.

Purpose and Authority

The State Government Ethics Act permits heads of state agencies to develop and implement “in-house educational programs, procedures, or policies tailored to meet the agency’s particular needs for ethics education, conflict identification, and conflict avoidance.” N.C.G.S. § 138A-15. In addition, this Act does not prevent DST “from adopting additional or supplemental ethics standards application to” the agency’s operations. N.C.G.S. § 138A-41.

Consistent with the Act, the purpose of DST’s ethics policy is to ensure that DST’s head and covered persons “exercise their authority honestly and fairly, free from impropriety, threats, favoritism, and undue influence.” N.C.G.S. § 138A-2.

The North Carolina Administrative Code for purchase procedures provides that “[a]ny communication with an offeror that may be necessary for purpose of clarification of its offer shall be conducted by the agency which issued the solicitation document.” 01 N.C.A.C. 05B.0309(c).

Coverage

Although the recommendation covers the Investment Management Division, this policy applies to all Divisions of DST.

Policy

Contact Initiated by the Bidder, Investment Firm or Interested Party Directed at DST Staff. Upon the announcement of any Request for Proposal (“RFP”), Invitation for Bid (“IFB”), comparable procurement vehicle or formal due diligence, and during the evaluation period for the same, there shall be no

Section II: Human Resources
Title: Employee Relations
Chapter: No Contact Policy
Current Effective Date: March 1, 2010

DST POLICIES AND PROCEDURES

communication or contact initiated by the bidder, investment firm or interested party directed at DST staff or the respective boards or committees (e.g., the Investment Advisory Committee) concerning the subject of the procurement process until the process is completed, unless the bidder, investment firm or interested party submits the content of the communication in a writing addressing the principal contact for the procurement.

Contact Initiated by DST Staff. After the receipt of the initial information and prior to a final decision, DST staff may contact the bidder, investment firm or interested party to conduct due diligence.

In the event that DST has an existing service or contract with bidder, investment firm or interested party, communication between the bidder, investment firm or interested party and DST staff may continue provided that the communication is related to the existing service or contract and that it is unrelated to the RFP, ITB, or comparable procurement vehicle.

Incidental Contact. Incidental contact between the bidder, investment firm or interested party and DST staff or respective boards and committees which is exclusively social, or which clearly pertains to a matter not related to the subject procurement process, is permissible.

Violations

Any bidder, investment firm, or interested party who willfully violates this policy shall be disqualified from any further consideration to provide the applicable service or product.

DST staff and respective boards and committees must report any suspected violation of this policy to the Chief Financial Officer who shall determine the appropriate course of action.