

**FINANCE DEPARTMENT****REQUEST FOR QUALIFICATIONS (RFQ)
INVESTMENT BROKER DEALER SERVICES****RFQ NO. FA2021-01**

The City of Richmond, Texas, is requesting the submission of qualifications for services to be rendered for Investment Broker Dealer Services. The Request for Qualifications (RFQ) proposals may be obtained from the City's web site at www.richmondtx.gov under the Finance Department.

Sealed Proposals, including two (2) original and one (1) electronic copy, must be received by 4:00 p.m. on **Tuesday, August 24, 2021** at:

**City of Richmond
Attn: Justin Alderete
402 Morton Street
Richmond, Texas 77469**

Proposals must be delivered in a sealed envelope; the Contractor's firm name and address must appear on the outside of the envelope. Envelopes must be clearly marked "**Qualifications for Investment Broker Dealer Services**". Proposals submitted after the deadline will not be considered.

The City reserves the right to reject any or all proposals, to waive irregularities and/or informalities in any proposal, and to make an award in any manner, consistent with law, deemed in the best interest of the City. The award will be made to the responsible bidder submitting the proposal providing the best value as determined by the City.

Proposals must be made on the proposal forms and in accordance with the instructions included in the package. Questions regarding the RFQ may be made via email to Justin Alderete at jalderete@richmondtx.gov at the City of Richmond by **Tuesday, August 9, 2021 at 4:00 p.m.**

The selected Contractor will be awarded the Contract by action of the City Commission approving and adopting the Contract Documents, providing for its enforcement and penalties as provided by law.

Project Timeline

Request for Qualifications Issued: July 20, 2021

Advertising: July 20, 2021 thru July 28, 2021

Deadline for Submitting Questions: August 9, 2021, 4:00 p.m.

Proposal Submission Deadline: August 24, 2021, 4:00 p.m.

Selection Process: August 27, 2021 thru September 13, 2021

City Commission Approval: September 20, 2021

All Times are Central Standard**I. DEFINITIONS.**

Respondent means the person or entity that submits a Submittal in response to this RFQ.

Submittal means the documents required to be submitted under Section II (a).

II. SUBMITTAL. Documents must be submitted as follows:

(a) At least one (1) original and three (3) copies of the following documents must be submitted:

(1) Qualification Statement including:

- *Respondent Certification
- *Respondent Information
- *Respondent Customer/Client References
- *Conflict of Interest Questionnaire (CIQ Form)
- *Certification Regarding Debarment
- *Request for General Qualifications
- *Request for Broker/Dealer Candidate Disclosure
- *Certification by Business Organization
- *Latest Audited Financials
- *Copy of National Association of Security Dealers certificate
- *Proof of State Registration

(b) The Submittal must be completed in ink or be typewritten.

(c) The Respondent Customer/Client References Form must include **at least** three references for which the Respondent has performed like services. The references must include the name of the business, a contact person, and telephone number and mailing address.

(d) The Submittal must be submitted in a sealed envelope or container that is marked on the outside of the envelope or container with the RFQ Number listed above, the Respondent's name and mailing address, and the date of the submittal deadline.

- (e) The Submittal may be hand-delivered to the City of Richmond, City Hall, 402 Morton Street, Richmond, Texas 77469 or mailed to the City of Richmond, Attention: Justin Alderete, 402 Morton Street, Richmond, Texas 77469. **FACSIMILE AND E-MAIL TRANSMITTALS WILL NOT BE ACCEPTED.**
- (f) Submittals must be received on or before **4:00 (p.m.) on Tuesday, August 24, 2021.** Submittals received after the submittal date and time will not be considered.

III. ADDITIONAL INSTRUCTIONS AND INFORMATION.

- (a) If a Respondent finds a discrepancy in our omission form, or has a question about the meaning of this RFQ or other related document, the Respondent should immediately notify Justin Alderete, Finance Director at the following E-mail address jalderete@richmondtx.gov. If a Respondent finds a discrepancy in our omission form, or has a question about the meaning of this RFQ or other related document, the Respondent should immediately notify Justin Alderete, Finance Director at the following E-mail address jalderete@richmondtx.gov. Questions regarding this bid must be received by the Finance Director on or before 4:00 (p.m.) on Tuesday, August 9, 2021. After the Finance Director has been notified of a discrepancy or omission, or has been asked a question, the Finance Director will post an amendment or addendum on <https://www.richmondtx.gov/departments/requests-for-proposals-qualifications-and-bids> for all Respondents to view.
- (b) A Respondent may withdraw a Submittal by giving the Finance Director written notice of the withdrawal before the submittal deadline. If a Respondent submits written notice of the withdrawal after the submittal deadline, a Respondent must receive the City's written consent to withdraw a Submittal.
- (c) Submittals received in response to this RFQ will be reviewed and evaluated by City staff.
- (d) Additional documents, amendments, and addendums relating to this RFQ are available at the City of Richmond City Hall and at:

<https://www.richmondtx.gov/departments/requests-for-proposals-qualifications-and-bids>

If you have any questions, please contact:

Justin Alderete
Finance Director
Phone: (281) 342-5456
E-mail: Jalderete@richmondtx.gov

IV. MANDATORY CONTRACT PROVISIONS

The City of Richmond is soliciting proposals for professional services in compliance with Chapter 2254 of the Texas Government Code. Since the City must comply with certain State laws and City policies, the City uses a Standard Form of Agreement that incorporates required contract provisions that cannot be modified. Submitting a written proposal in response to the City's solicitation is your offer to enter into the City's Standard Form of Agreement without modification of the required contract provisions.

(a). Payment. The City's payments under the Contract, including the time of payment and the payment of interest on overdue amounts, are subject to Chapter 2251, Texas Government Code.

(b). Liability and Indemnity. Any provision of the Contract is void and unenforceable if it: (1) limits or releases either party from liability that would exist by law in the absence of the provision; (2) creates liability for either party that would not exist by law in the absence of the provision; or (3) waives or limits either party's rights, defenses, remedies, or immunities that would exist by law in the absence of the provision. (Section 5, Article XI, Texas Constitution).

(c). Confidentiality. Any provision in the Contract that attempts to prevent the City's disclosure of information subject to public disclosure under federal or Texas law or regulation, or court or administrative decision or ruling, is invalid. *Chapter 552, Texas Government Code*

(d). Contractual Limitations Period. Any provision of the Contract that establishes a limitations period that does not run against the City by law or that is shorter than two years is void. (Sections 16.061 and 16.070 of the Texas Civil Practice and Remedies Code)

(e). Governing Law and Venue. Texas law, not including chance of law or conflict of law provisions, governs this Contract and any lawsuit on this Contract must be filed in a court that has jurisdiction in Fort Bend County, Texas.

(f). DISCLOSURE OF INTERESTED PERSONS FOR CITY COMMISSION – APPROVED CONTRACTS: Under Section 2252.908 of the Tex Gov't Code - The Ethics Commission has approved a Certificate of Interested Persons form, which must be completed and proof of filing submitted to the City at the time of execution of the Contract/Agreement, along with the certification of filing generated from the Commission's website. The Certificate of Interested Persons form is available on the Commission's website at <https://www.ethics.state.tx.us/filinginfo/1295/> and the successful Bidder/Proposer must follow the Commission's filing process adopted pursuant to the statute. The successful contractor's notarized Certificate of Interested Persons and certification of filing will be attached to the Contract/ Agreement.

V. STATEMENT OF WORK.

INTRODUCTION

The City of Richmond (the "City") is in the process of qualifying investment broker/dealers to represent investment products to the City. The goals of the City in requesting information from broker/dealers are:

- To ensure that the broker/dealers selected to represent investment products to the City are qualified professionals with experience in public funds investing.
- To provide a competitive process for the selection of broker/dealers for the City.
- To limit the need to represent investment products that may not be appropriate for the City's investment goals.
- To limit the number of approved broker/dealers to no more than six.
- To ensure that the broker/dealers representing investment products to the City completely understand the City's investment policies, goals, and objectives.

In order to reach these goals, the City is seeking broker/dealers that:

- Have good reputations as broker/dealers and are working with firms that also have good reputations.
- Are able to work within the constraints of the City's Investment Policy and Strategy.
- Offer competitive pricing and quick response time to requests for offers & bids.
- Provide an overall good service to the City.
- Clearly understand state statutes and local policy regarding public funds investment.

PROCEDURES

You are invited to fill out the attached Request for Qualifications and return it to Richmond City Hall on or before 4:00 pm Tuesday, August 24, 2021. City staff will evaluate responses and recommendations will be made to the City Commission in September 2021.

Please return completed packets to:
City of Richmond,
402 Morton Street,
Richmond, TX 77469

Note that respondents should mark the envelope RFQ FA2021-01 Investment Broker/Dealer Services.

The following will be required with the Request for Qualifications: latest audited financial statement, copy of National Association of Security Dealers certificate, proof of state registration, completed broker/dealer questionnaire, local government references and statements of qualifications. If you have any questions, please contact Justin Alderete, Finance Director at Jalderete@richmondtx.gov.

Also attached is a form to be used by your firm to make certain representations to the City. Our investment policy and state law require these representations. To be considered in our selection process, you must sign and return the form to us with your responses.

BROKER/DEALER REQUEST FOR QUALIFICATIONS

Statement of Position and General Requirements

The City of Richmond is a home rule municipality operating under the laws of the State of Texas. The City maintains a portfolio that ranges from \$20 to \$30 million and is largely comprised of Money Market Accounts and Local Government Investment Pools. The City has adopted a written Investment Policy, which regulates the standards and procedures used in its cash management activities. A copy of the most recent Investment Policy is attached as an appendix to this document.

The City requires broker/dealers to acknowledge, in writing, that they have received and read the City's investment policy. A qualified representative of the firm must make this acknowledgment. The City has provided a form to supply the required acknowledgment as an appendix to this document.

The City will maintain relationships with qualified members of the broker/dealer community who, in their opinion, understand the needs, constraints, and goals of the City.

Criteria used in the selecting authorized broker / dealers will include but are not limited to material litigation against the firm, regulatory status of the dealer, completed packet, overall reputation, background and expertise with public funds, overall financial condition of firm, and failure rate for transactions. Preference may be given to broker/dealers with a physical presence in Texas.

The City will notify broker/dealers of their approval in writing. No transactions will be conducted with a non-approved broker/dealer, and no broker/dealer is approved until all paperwork required by both parties has been executed. The City solicits competitive bids and offers on most transactions. All securities will be delivered against payment to the third-party custodian named by the City. City staff will review and verify all information

and references requested in the document; therefore, please answer all questions as completely as possible.

Responses will be evaluated based on the following criteria:

- 10% Completed Packet w/certification
- 10% Public Fund Client Base
- 10% Broker Office Location
- 10% Trade Failure Rate
- 20% Trade in Securities authorized by City
- 20% Clients Similar to City
- 20% References

Part I - Request for General Qualifications

I-a. Firm Information:

Name of Firm _____

Address Local _____

Address Headquarters _____

Provide both street address and/or P.O. Box, if applicable

I-b. Telephone Numbers:

Local _____ Headquarters: _____

I-c. Contact personnel: (Please list the primary representative/partner-in-charge first. Provide an attachment if more space is required)

Name: _____

Title: _____

Email: _____ Telephone: _____

Name: _____

Title: _____

Email: _____ Telephone: _____

In addition to the information requested, please provide background information concerning account representatives listed above. Include information about each individual's employment history as it relates to the securities industry, official licenses and certificates, the history and details of any disciplinary actions or complaints and the disposition of each as well as the history of any arbitration or litigation, the nature of the case and status or disposition. This can be attached in resume format.

I-d. Provide a list of references of public sector clients with whom your representative listed in I-c has established a business relationship. (Houston/Galveston/Fort Bend County area preferred)

Client Name _____

Address _____

Person to contact _____

Email: _____ Telephone: _____

Description of Relationship including length:

Client Name _____

Address _____

Person to contact _____

Email: _____ Telephone: _____

Description of Relationship including length:

Client Name _____

Address _____

Person to contact _____

Email: _____ Telephone: _____

Description of Relationship including length:

Client Name _____

Address _____

Person to contact _____

Email: _____ Telephone: _____

Description of Relationship including length:

I-e. Who has authorized the representative(s) listed in (I-c) to be account representative(s) for the City of Richmond?

Name: _____

Title: _____

Email: _____ Telephone: _____

Who is the immediate supervisor of the representative(s) named in your response to I-c?

Name: _____

Title: _____

Email: _____ Telephone: _____

I-f. Is your firm a member of National Association of Security Dealers (NASD) ?

Yes _____ No _____

If not, why?

I-g. Please indicate which regulatory agencies your firm is examined by and/or subject to its rules and regulations.

FDIC _____ SEC _____ NYSE _____

Comptroller of Currency _____ Federal Reserve System _____

Other Regulatory Agencies: (Multi-state firms please note: It is not necessary to include regulatory agencies that do not have jurisdiction over your firm's activities in Texas.)

I-h. Have you obtained all required licenses to operate as a broker/dealer in the state of Texas?

Yes _____ No _____ Date received _____

I-i. If your firm is not a Bank, please provide the following information regarding your principal banking relationship.

Bank Name: _____

Address: _____

Person to contact: _____

Email: _____ Telephone number: _____

Length of relationship: _____

I-j. Please indicate with which instruments in which you are active in the market (both buy and sell).

T-Notes/Bills _____ BAs _____ CP _____ CD's _____ Agencies _____

Other Federal Agencies (Please Specify): _____

Instrumentalities (Please Specify): _____

I-k. Do you specialize in any of the instruments listed above? If so, please specify which ones.

I-l. What was your firm's total volume in U.S. Government and Agency securities trading last year?

Description	\$ Millions	Number of Transactions
Firm-Wide		
Local Office		

I-m. Indicate your failure rate for transactions: (Failures/Total # of Transactions):

	Firm-wide	Local Office
Last Month	_____/____	_____/____
Last Year (calendar)	_____/____	_____/____

I-n. Explain your normal custody and delivery process.

I-o. What percent of your clients and percent/volume of trades are public funds investors?

I-p. Why do you want to work with the City of Richmond as a Broker/Dealer?

Part II - Request for Broker/Dealer Candidate Disclosure

II-a. To the best of your knowledge, has there been any "material" litigations, arbitration, or regulatory proceedings, either pending, adjudicated or settled, that your firm has been subject to within the last five years that involved issues concerning the suitability of the sale or purchase of securities to institutional clients or fraudulent or unfair practices related to the sale of securities to an institutional client? If so, please describe each such matter briefly. *For purposes of this section, proceedings are "material" if your independent accountant applying generally accepted accounting principles determines that such proceedings required disclosure in your financial statements.*

II-b. Have the representatives assigned to the City account read and understood the City's investment policy? Each broker selected will be required to sign and return the attached certification form before conducting any investment transactions with the City. The investment policy and certification form are attached to this packet.

Yes _____ No _____

II-c. Please disclose any personal business relationships that your organization may have with any City of Richmond investment officer or elected official. For purposes of this subsection, an investment officer or elected official has a personal business relationship with a business organization if:

- (1) the official owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;

- (2) funds received by the official from the business organization exceed 10 percent of the official's gross income for the previous year; or
- (3) an investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer

Current Investment Officers of the City:

- Justin Alderete
- Maritza Salazar

Current City of Richmond Commission:

- Rebecca "Becky" Hass: Mayor
- Terry R. Gaul: Commissioner Position 1
- Barry C. Beard: Commissioner Position 2
- Carl Drozd: Commissioner Position 3
- Alex BeMent: Commissioner Position 4

Official: _____

Description of Relationship _____

Official: _____

Description of Relationship _____

Official: _____

Description of Relationship _____

Section III - Certification

I hereby certify that the above is true and correct to the best of my knowledge and that I am authorized to execute this request for information on behalf of:

Name of Firm: _____

* Signed By: _____

Name: _____

Title: _____

Date: _____

**** Note: a qualified representative of your firm must sign this form in order for the firm to be considered in the selection process.***

CERTIFICATION BY BUSINESS ORGANIZATION

This certification is executed on behalf of **City of Richmond** (the Investor) and _____ (the Business Organization) pursuant to the Public Funds Investment Act, Chapter 2256, Texas Government Code (the Act) in connection with investment transactions conducted between the Investor and the Business Organization.

The undersigned Qualified Representative of the Business Organization hereby certifies on behalf of the Business Organization that:

1. The undersigned is a Qualified Representative of the Business Organization offering to enter into an investment transaction with the Investor as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code and
2. The Qualified Representative of the Business Organization has received and reviewed the Investment Policy furnished by the Investor and
3. The Qualified Representative of the Business Organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment transactions conducted between the Entity and the Organization that are not authorized by the entity’s investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity’s entire portfolio or requires an interpretation of subjective investment standards.
4. The Business Organization will rely upon instructions from only the persons authorized on behalf of the City of Richmond as stated in the Investment Policy and City's resolution designating investment officers.

Qualified Representative of the Business Organization

Name: _____

Title: _____

Date: _____

REQUIRED FORMS

The following forms must be filled out and turned in with the Submittal in order for Respondent to be considered responsive. Failure to include the following forms, signed and dated, will result in the Submittal being rejected.

1. Respondent Certification
2. Respondent Information
3. Respondent Customer/Client References
4. Conflict of Interest Questionnaire (CIQ Form)
5. Certification Regarding Debarment
6. Request for General Qualifications
7. Request for Broker/Dealer Candidate Disclosure
8. Certification by Business Organization
9. Latest Audited Financials
10. Copy of National Association of Security Dealers certificate
11. Proof of state registration

BID CHECKLIST

CHECK OFF EACH OF THE FOLLOWING AS THE NECESSARY ACTION IS COMPLETED:

- 1. THE SUBMISSION HAS BEEN SIGNED AND DATED.
- 2. ADDENDA (IF ANY) HAS BEEN SIGNED AND INCLUDED.
- 3. REFERENCES AND CIQ FORM COMPLETED
- 4. THE CORRECT NUMBER OF COPIES ENCLOSED
- 5. SIGNED DEBARMENT FORM
- 7. THE MAILING ENVELOPE HAS BEEN ADDRESSED TO:

CITY OF RICHMOND
ATTENTION: JUSTIN ALDERETE,
402 MORTON STREET
RICHMOND, TEXAS 77469

- 8. THE MAILING ENVELOPE HAS BEEN SEALED AND MARKED WITH THE:
COMPANY NAME, ADDRESS, BID NUMBER, TITLE, AND DUE DATE

RESPONDENT CERTIFICATION

By signature affixed, the Respondent certifies that neither the Respondent nor the firm, corporation, partnership, or institution represented by the Respondent, or anyone acting for such firm, corporation, or institution has violated the anti-trust laws of this State, codified in Section 15.01, et seq., Texas Business and Commerce Code, or the Federal antitrust laws, nor communicated directly or indirectly the Submittal made to any competitor or any other person engaged in such fine of business.

Respondent has examined the information in the RFQ and has fully informed themselves as to all terms and conditions. Any discrepancies or omissions from the information or other documents have been clarified with the Purchasing Office and noted on the Submittal.

Respondent Must Fill in and Sign:

NAME OF FIRM/COMPANY: _____

AGENTS NAME: _____

AGENTS TITLE: _____

MAILING ADDRESS: _____

CITY, STATE, ZIP: _____

PHONE & FAX NUMBERS: _____

E-MAIL ADDRESS: _____

AUTHORIZED SIGNATURE: _____

DATE: _____

RESPONDENT INFORMATION FORM

FULL LEGAL FIRM/COMPANY NAME: _____

BUSINESS STREET ADDRESS: _____

BUSINESS MAILING ADDRESS: _____

BUSINESS TELEPHONE NUMBER: _____

BUSINESS FAX NUMBER: _____

COUNTY: _____ MINORITY OWNED: _____ #OF EMPLOYEES _____

CORPORATION: ___ PARTNERSHIP: ___ PROPRIETORSHIP: ___ L.L.C. ___ L.L.P. ___

YEAR EST. ___ NO. OF YEARS IN BUSINESS ___ FEDERAL ID NO. _____

NATURE OF BUSINESS: _____

PRINCIPALS:

NAME: _____ TITLE: _____

NAME: _____ TITLE: _____

NAME: _____ TITLE: _____

BANK REFERENCE: _____

ADDRESS / CITY / STATE / ZIP : _____

PHONE NO.: _____

RESPONDENT CUSTOMER / CLIENT REFERENCES FORM

1. COMPANY NAME:

ADDRESS: _____

CITY / STATE / ZIP: _____

PHONE NO. _____

NAME OF CONTACT: _____

EMAIL ADDRESS: _____

DESCRIPTION OF PROJECT: _____

2. COMPANY NAME:

ADDRESS: _____

CITY / STATE / ZIP: _____

PHONE NO. _____

NAME OF CONTACT: _____

EMAIL ADDRESS: _____

DESCRIPTION OF PROJECT: _____

3. COMPANY NAME:

ADDRESS: _____

CITY / STATE / ZIP: _____

PHONE NO. _____

NAME OF CONTACT: _____

EMAIL ADDRESS: _____

DESCRIPTION OF PROJECT: _____

4. COMPANY NAME:

ADDRESS: _____

CITY / STATE / ZIP: _____

PHONE NO. _____

NAME OF CONTACT: _____

EMAIL ADDRESS: _____

DESCRIPTION OF PROJECT: _____



COMPANY INFORMATION

Name: _____

Address: _____

Principal Contact: _____

Tax ID Number: _____

Project Number (if applicable): _____

Project Name (if applicable): _____

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

Indicate in the appropriate box which statement applies to the covered potential contractor:

- The potential contractor certifies, by submission of this certification, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract by any federal department or agency or by the State of Texas.
- The potential contractor is unable to certify to one or more of the terms in this certification. In this instance, the potential contractor must attach an explanation for each of the above terms to which he is unable to make certification. Attach the explanation(s) to this certification

The undersigned certifies that the potential company will not knowingly enter into any subcontract with a person who is excluded, debarred, suspended, declared ineligible or voluntarily excluded from participation in this covered transaction, unless authorized by the city of Richmond, Texas. The undersigned further certifies that the potential contractor will include this section regarding exclusion, debarment, suspension, ineligibility and voluntary exclusion without modification in any subcontracts or solicitations for subcontracts.

The undersigned swears that he/she is authorized to legally bind the prospective contractor to the above-described certification and is fully aware that this certification is made under penalty of perjury under the laws of the State of Texas.

Signature/Authorized Certifying Official

Typed Name and Title

Prospective Company/Organization

Date Signed

State Contractor License No. (if any): _____

CONFLICT OF INTEREST QUESTIONNAIRE For vendor doing business with local governmental entity		FORM CIQ
<p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>	OFFICE USE ONLY Date Received	
<p>1 Name of vendor who has a business relationship with local governmental entity.</p>		
<p>2 <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>		
<p>3 Name of local government officer about whom the information is being disclosed.</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Name of Officer</p>		
<p>4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p style="margin-left: 40px;">A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p style="margin-left: 80px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </p> <p style="margin-left: 40px;">B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p style="margin-left: 80px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </p>		
<p>5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p>		
<p>6 <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>		
<p>7</p> <p style="text-align: center;"> _____ Signature of vendor doing business with the governmental entity </p> <p style="text-align: right; margin-right: 100px;"> _____ Date </p>		

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;

or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.