

# LIVE VIRTUAL COMMITTEE MEETING

\*The Committee meeting will be held following the Board of Retirement meeting scheduled prior.



TO VIEW VIA WEB



TO PROVIDE PUBLIC COMMENT

You may submit a request to speak during Public Comment or provide a written comment by emailing [PublicComment@lacera.com](mailto:PublicComment@lacera.com). If you would like to remain anonymous at the meeting without stating your name, please let us know.

**Attention:** Public comment requests must be submitted via email to [PublicComment@lacera.com](mailto:PublicComment@lacera.com).

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
300 N. LAKE AVENUE, SUITE 650, PASADENA, CA

## AGENDA

### MEETING OF THE OPERATIONS OVERSIGHT COMMITTEE and BOARD OF RETIREMENT\*

#### LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

300 NORTH LAKE AVENUE, SUITE 810  
PASADENA, CA 91101

WEDNESDAY, MARCH 2, 2022 - 9:00 A.M.\*\*

This meeting will be conducted by the Operations Oversight Committee by teleconference under California Government Code Section 54953(e).

Any person may view the meeting online at  
<http://lacera.com/leadership/board-meetings>

*The Committee may take action on any item on the agenda,  
and agenda items may be taken out of order.*

#### COMMITTEE MEMBERS:

Alan Bernstein, Chair  
Herman B. Santos, Vice Chair  
Keith Knox  
Antonio Sanchez  
JP Harris, Alternate

#### I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of February 2, 2022

#### II. PUBLIC COMMENT

(Written Public Comment – You may submit written public comments by email to [PublicComment@lacera.com](mailto:PublicComment@lacera.com). Correspondence will be made part of the official record of the meeting. Please submit your written public comments or documentation as soon as possible and up to the close of the meeting.)

Verbal Public Comment – You may also request to address the Committee at [PublicComment@lacera.com](mailto:PublicComment@lacera.com) before and during the meeting at any time up to the end of the Public Comment item. We will contact you with information and instructions as to how to access the meeting as a speaker. If you would like to remain anonymous at the meeting without stating your name, please let us know.)

III. ACTION ITEMS

- A. Recommendation as submitted by Kathy Delino, Interim Chief Information Technology Officer and Roberta Van Nortrick, Acting Division Manager, Administrative Services: That the Committee authorize staff to issue a Request for Proposal (RFP) for software and professional services to procure, configure, and implement an enterprise budget application system for the Budget Unit in the Administrative Services Division. (Memorandum dated February 23, 2022)
  
- B. Recommendation as submitted by Kathy Delino, Interim Chief Information Technology Officer and Roberta Van Nortrick, Acting Division Manager, Administrative Services: That the Committee authorize staff to issue a Request for Proposal (RFP) for software and consulting services to procure, configure, customize, and implement an Enterprise Contract Lifecycle Management (ECLM) System. (Memorandum dated February 16, 2022)

IV. REPORTS

- A. LACERA Operations Briefing  
Luis A. Lugo, Deputy Chief Executive Officer  
JJ Popowich, Assistant Executive Officer  
Laura Guglielmo, Assistant Executive Officer

V. ITEMS FOR STAFF REVIEW

VI. GOOD OF THE ORDER

(For information purposes only)

VII. ADJOURNMENT

**\*The Board of Retirement has adopted a policy permitting any member of the Board to attend a standing committee meeting open to the public. In the event five or more members of the Board of Retirement (including members appointed to the Committee) are in attendance, the meeting shall constitute a joint meeting of the Committee and the Board of Retirement. Members of the Board of Retirement who are not members of the Committee may attend and participate in a meeting of a Board Committee but may not vote on any matter discussed at the meeting. The only action the Committee may take at the meeting is approval of a recommendation to take further action at a subsequent meeting of the Board.**

**\*\*Although the meeting is scheduled for 9:00 a.m., it can start anytime thereafter, depending on the length of the Board of Retirement meeting preceding it. Please be on call.**

**Any documents subject to public disclosure that relate to an agenda item for an open session of the Committee, that are distributed to members of the Committee less than 72 hours prior to the meeting, will be available for public inspection at the time they are distributed to a majority of the Committee, at LACERA's offices at 300 North Lake Avenue, Suite 820, Pasadena, California during normal business hours from 9:00 a.m. to 5:00 p.m. Monday through Friday.**

***Requests for reasonable modification or accommodation of the telephone public access and Public Comments procedures stated in this agenda from individuals with disabilities, consistent with the Americans with Disabilities Act of 1990, may call the Board Offices at (626) 564-6000, Ext. 4401/4402 from 8:30 a.m. to 5:00 p.m. Monday through Friday or email [PublicComment@lacera.com](mailto:PublicComment@lacera.com), but no later than 48 hours prior to the time the meeting is to commence.***

MINUTES OF THE MEETING OF THE  
OPERATIONS OVERSIGHT COMMITTEE  
and  
BOARD OF RETIREMENT\*

LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION

GATEWAY PLAZA - 300 N. LAKE AVENUE, SUITE 810, PASADENA, CA 91101

WEDNESDAY, FEBRUARY 2, 2022, 11:30 A.M. – 12:27 P.M.

This meeting was conducted by the Operations Oversight Committee by teleconference under the Governor's Executive Order No. N-29-20.

**COMMITTEE MEMBERS**

PRESENT: Alan Bernstein, Chair  
Herman B. Santos, Vice Chair  
Keith Knox  
Antonio Sanchez  
JP Harris, Alternate

**ALSO ATTENDING:**

BOARD MEMBERS AT LARGE

Vivian H. Gray  
Wayne Moore  
William Pryor  
Les Robbins

STAFF, ADVISORS, PARTICIPANTS

Santos H. Kreimann, Chief Executive Officer  
Luis Lugo, Deputy Chief Executive Officer  
JJ Popowich, Assistant Executive Officer  
Laura Guglielmo, Assistant Executive Officer  
Steven Rice, Chief Counsel  
James Beasley, Supervising Administrative Assistant

The meeting was called to order by Chair Bernstein at 11:30 a.m.

I. APPROVAL OF THE MINUTES

A. Approval of the minutes of the regular meeting of January 5, 2022

Mr. Harris made a motion, Mr. Knox seconded, to approve the minutes of the regular meeting of January 5, 2022. The motion passed unanimously.

II. PUBLIC COMMENT

III. ACTION ITEMS

- A. Recommendation as submitted by Santos H. Kreimann, Chief Executive Officer: That the Committee provide input and make a recommendation to the Board of Retirement (Board), with a copy to the Board of Investments, to utilize and contract with Prime Government Solutions, Inc. (“PrimeGov”) for the management of both Boards and all Committee meetings, including agenda management, livestreaming, recordings, online archives, and a public interface solution, with an indefinite retention period for archiving the audio and visual recordings.

(Public Memo dated January 13, 2022)

(Confidential Memo dated January 13, 2022)

Mr. Santos made a motion, Mr. Knox seconded, to approve the recommendation. The motion passed unanimously.

- B. Recommendation as submitted by Shonita Peterson, Process Management Group: That the Committee approve the release of a Request for Proposal (RFP) to solicit proposals for a pre-paid debit card program to support LACERA members who opt not to receive, or cannot receive, paper checks, or enroll in our direct deposit program. (Memo dated January 25, 2022)

Mr. Bernstein made a motion, Mr. Santos seconded, to approve the recommendation. The motion passed unanimously.

#### IV. REPORTS

##### A. LACERA Operations Briefing

Luis Lugo, Deputy Chief Executive Officer  
JJ Popowich, Assistant Executive Officers  
Laura Guglielmo, Assistant Executive Officer

Ms. Guglielmo, Messrs. Lugo and Popowich presented the monthly briefing sharing insights on staff and divisional activities within LACERA's Operations and Administration components, including the status of the Strategic Plan Goals and Operations Improvement Initiatives, progress on the "100-Day Management Report," and an update on other projects.

- Public Records Request Update
- Report of Felony Forfeiture Cases Processed

##### B. Business Continuity Tabletop Exercise and Disaster Recovery Test Results

James Beasley, Supervising Administrative Assistant  
Celso Templo, Information Technology Manager

Messrs. Beasley and Templo provided a brief presentation and answered questions from the Committee.

#### V. ITEMS FOR STAFF REVIEW

There was nothing to report

#### VI. GOOD OF THE ORDER

(For information purposes only)

#### VII. EXECUTIVE SESSION

##### A. Potential Threats to Public Services or Facilities (Pursuant to Subdivision (a) of California Government Code Section 54957)

Consultation with: LACERA Chief Executive Officer Santos H. Kreimann, Deputy Chief Executive Officer Luis Lugo, Systems Division Interim Manager Kathy Delino, Chief Information Security Officer Bob Schlotfeld, and Other LACERA Staff.

#### VIII. ADJOURNMENT

The meeting adjourned at 12:27 p.m.


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February 23, 2022

TO: Operations Oversight Committee  
Alan Bernstein, Chair  
Herman B. Santos, Vice Chair  
Keith Knox  
Antonio Sanchez  
JP Harris, Alternate

FROM: Kathy Delino   
Interim Chief Information Technology Officer

Roberta Van Nortrick   
Acting Division Manager, Administrative Services

FOR: March 2, 2022 Operations Oversight Committee Meeting

SUBJECT: **REQUEST FOR PROPOSAL: BUDGET APPLICATION SYSTEM**

## **RECOMMENDATION**

That the Operations Oversight Committee authorize staff to issue a Request for Proposal (RFP) for software and professional services to procure, configure, and implement an enterprise budget application system for the Budget Unit in the Administrative Services Division.

## **EXECUTIVE SUMMARY**

LACERA's current budget process is manual and tedious. Each year, the Budget Team struggles to compile the necessary schedules and information required to draft the budget request along with the various follow up reports required by the Boards and the Executive Office to provide proper oversight. These processes are manual and labor intensive. This has been a long-standing need for LACERA, and we recognize as our business becomes more complex, we need to modernize the budget process, tools, and system. Automation will replace the redundant manual steps, provide increased reporting and analytical capabilities to the budget process, and integrate the most current Human Resources (HR) data from Los Angeles County into the budget system. A modernized system would support these business requirements and allow LACERA to align expenses with strategic goals and report expenses based on those goals.

At the September 2021 meeting, the Operations Oversight Committee authorized staff to issue a Request for Proposal for consulting services to locate a firm to design, procure,

and implement an enterprise budget application system for the Administrative Services Division. LACERA selected and engaged with SDI Presence (System Development Integration). SDI evaluated our current budget process and reporting requirements, assessed evolving industry trends and best practices, and, along with the LACERA Project Team (Team), drafted the RFP attached. This Team consists of staff from Systems, Administrative Services, Financial and Accounting Services, and the Executive Office.

This RFP intends to solicit responses from qualified vendors offering the functionality and features identified herein for a new budget application system. LACERA seeks a qualified firm that can demonstrate that they possess organizational, functional, and technical capabilities, and has the experience, expertise, and qualifications to provide and support an integrated, proven budget application.

With this RFP, LACERA is seeking a budget application system with a proven, state-of-the-art, commercial-off-the-shelf budget application system with minimal modifications. LACERA's goal is to gain efficiencies and update existing processes through a best-of-breed product, focusing on improving the timeliness, accuracy, consistency of information, and internal operations.

The new budget system shall meet the following objectives:

- Consolidates information, links, processes, and functions, and eliminates separate departmental systems/spreadsheets in favor of a single system that integrates with LACERA's financial and non-financial applications
- Reduces the need for redundant data entry
- Reduces the need for manual input when preparing the annual budget and mid-year budget amendment
- Provides a user-friendly and intuitive user interface to promote system use and productivity
- Provides embedded processes designed to tie functions together seamlessly
- Streamlines business processes to take advantage of best practices through automation, integration, and workflows
- Provides interface capabilities with third-party systems
- Improves and provides necessary reports and access to data through inquiry of drill-down capabilities, including a user-friendly self-service ad-hoc reporting tool
- Produces reports that summarize information at the division and organization level used for executive and board reporting purposes
- Implementation of the budget application system by Q1 2023.

In addition to the functionality identified above, LACERA is seeking a Proposer to provide professional services (e.g., best practices guidance, training, project management, implementation, integration, and report development) that will ensure a successful implementation in a timely and professional manner.

A subset of the LACERA Project Team will review and evaluate the proposals received based on the following criteria:

<b>Criteria</b>	<b>Points</b>
Proposer Qualifications & References	20
Proposed Budget Application System	25
Implementation Approach & Work Plan	20
Ongoing Support & Maintenance	10
Price	25
<b>TOTAL</b>	<b>100</b>

Staff will rank the highest scoring Proposers, make a final selection, and seek approval from the Board of Retirement.

LACERA intends to negotiate in good faith, all terms and conditions of the contract with the selected Proposer and will award a contract based upon the criteria above. Pricing will be evaluated and negotiated by the rates proposed by the Proposer in the attached Appendix B – Price Sheet.

The contract term or period of performance shall be for a five-year base period. There may be two one-year extensions under the same terms and conditions at LACERA's option.

### **PROPOSED RFP TIMELINE**

The proposed timeline for the RFP process:

<b>RFP Event</b>	<b>Date/Time</b>
LACERA Issues RFP	March 15, 2022
Intent to Respond closing date	March 22, 2022
Deadline for Proposer Questions	March 31, 2022
LACERA Provides Responses to Questions	April 7, 2022
Deadline for Proposal Submissions	April 14, 2022, 5:00pm PST
Finalists Notified & Proof-of-Capabilities (POC) Packets Issued	May 2022
Proof of Capabilities Demonstration(s)	May/June 2022
Board of Retirement Approves Selection / Contract Signed	July/August 2022

## CONCLUSION AND RECOMMENDATION

LACERA seeks to modernize and automate the budget process to replace the redundant manual steps, provide increased reporting and analytical abilities to the budget process, and integrate the most current Human Resources (HR) data from Los Angeles County into the budget application system. The Fiscal Year 2021-22 Budget includes \$150,000 for this project. Staff will update the Boards via the monthly operations briefing.

**IT IS THEREFORE RECOMMENDED THAT THE OPERATIONS OVERSIGHT COMMITTEE** authorize staff to issue a Request for Proposal for software and professional services to procure, configure, and implement an enterprise budget application for the Administrative Services Division.

Reviewed and approved.



---

Laura Guglielmo  
Assistant Executive Officer

c: JJ Popowich  
Ted Granger  
Ervin Wu  
Celso Templo  
Summy Voong  
Cookie Jaranilla  
Kaelyn Ung  
Kevin Sakamoto  
Bob Schlotfelt

January 19, 2022



## REQUEST FOR PROPOSAL

### Budget Application System

Cookie Jaranilla, Project Management Office  
300 North Lake Avenue, Suite 750  
Pasadena, CA 91101  
626-564-2329

Issue Date:  
March 15, 2022

Deadline for Proposal Submittal:  
April 14, 2022  
5:00 p.m. PST

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## RFP Overview

### 1.1 Purpose of RFP

The Los Angeles County Employees Retirement Association (LACERA) has issued this Request for Proposal (RFP) to solicit responses from qualified vendors offering the functionality and features identified herein for a new Budget Application System. LACERA seeks a qualified firm (Proposer) who can demonstrate that they possess organizational, functional, and technical capabilities, and has experience, expertise, and qualifications to provide and support an integrated, proven Budget solution.

### 1.2 Project Objectives

With this RFP, LACERA is seeking a Budget Application System with a proven, state-of-the-art, commercial-off-the-shelf Budget solution with minimal modifications. LACERA's goal is to gain efficiencies and update existing processes ***through a best of breed Budget system***, focusing on improving the timeliness, accuracy, and consistency of information; and improving internal operations.

The new Budget systems shall meet the following objectives:

- Consolidates information, links, processes, and functions, and eliminates separate departmental systems/spreadsheets in favor of a single system that integrates with LACERA's financial and non-financial applications
- Reduces the need for redundant data entry
- Reduces the need for manual input when preparing the annual budget
- Provides modeling for "what if" scenarios and forecasting tools for future year(s) revenues and expenditures
- Provides a user friendly and intuitive user interface to promote system use and productivity
- Provides embedded processes designed to tie functions together seamlessly
- Streamlines business processes to take advantage of best practices through automation, integration, and workflows
- Provides interface capabilities with third-party systems
- Improves and provides necessary reports and access to data through inquiry or drill down capabilities, including a user-friendly self-service ad-hoc reporting tool
- Implementation of the Budget system expected to be complete by January 31, 2023.

In addition to the functionality identified above, LACERA is seeking a Proposer to provide professional services (e.g. best practices guidance, training, project management, implementation, integration, and report development) that will ensure a successful implementation in a timely and professional manner.



LACERA intends to negotiate in good faith, all terms and conditions of the contract with the selected Proposer and will award a contract in part based upon the rates proposed by the Proposer in the attached Appendix B – Price Sheet.

The contract term or period of performance shall be for five-year base period. There may be two (2) one-year extensions under the same terms and conditions at LACERA’s option. All contracts may be terminated at LACERA’s convenience at any time.

**1.3 RFP Timeline**

Table 1 identifies the RFP schedule

**Table 1 - RFP Events**

RFP Event	Date/Time
LACERA Issues RFP	March 15, 2022
Intent to Respond closing date	March 22, 2022
Deadline for Proposer Questions	March 31, 2022
LACERA Provides Responses to Questions	April 7, 2022
Deadline for Proposal Submissions	April 14, 2022, 5:00 PM PST
Finalist(s) Notified & Proof-of-Capabilities (POC) Packets Issued	May 2022
Proof of Capabilities Demonstration(s)	May/June 2022
Board Approves/ Contract Signed	July/August 2022

Proposers should be aware that finalist(s) will be required to participate in a POC demonstration to allow staff to fully understand the proposed solution. The POC will be a scripted demonstration using scripts/scenarios developed by LACERA to evaluate critical product functionality.

***Proposers must be prepared to invest the time and resources in the POC demonstration to be successful in this procurement.***

LACERA reserves the right, at its sole discretion, to adjust the RFP schedule as it deems necessary.

**1.4 Response Requirements and Formatting**

1.4.1 Respondents to this RFP must submit the following for delivery no later than **5:00 PM PST on April 14, 2022**, to the Point of Contact specified in Section 1.4.3 below.

1.4.2 Response to this RFP should be submitted as an electronic copy in PDF format via email to Cookie Jaranilla at [cjaranilla@lacera.com](mailto:cjaranilla@lacera.com). To the extent applicable, submissions should also include an electronic copy marked **“REDACTED”**. The

redacted copy should exclude all material from the proposal that the respondent believes in good faith is exempt from disclosure under the California Public Records Act, (California Government Code section 6250 et seq. the “Act”). Individual redactions should appear as blacked out material. Large sections, tables, or entire blank page(s) shall include the word “REDACTED” or “PROPRIETARY” inserted. Each respondent must indicate the basis for each redaction under the Act (defined below) with a citation to the code section and subsection relied upon. Please see **Section 1.4.11** below *“Notice to Respondents Regarding the Public Records Act AND RALPH M. BROWN ACT”* for further information, including but not limited to LACERA’s right to determine, in its sole discretion, whether any information in the response, regardless of how labeled, is subject to public production.

- 1.4.3 Submittals shall be double sided with text in at least 10-point font, but no larger than 12-point font. Submittals shall address all RFP sections in the same order presented and be responsive to each section.
- 1.4.4 All proposals made in response to this RFP must remain open and in effect for a period of not less than 180 days after the submission deadline. Responses to this RFP may be changed or withdrawn in writing if modifications are received prior to the submission deadline. Modification to or withdrawal of a proposal received after the submission deadline will not be considered. Responses received after the specified deadline may be considered for evaluation solely at the discretion of LACERA. In addition, LACERA reserves the right to request more information or clarifications from respondents, or to allow corrections of errors or omissions.
- 1.4.5 All responses to this RFP should follow the outline of the RFP requirements and should respond to each section as appropriate and to all questions in Appendix A. Proposals shall be organized with the corresponding numbering of this RFP, including a Table of Contents. Proposals not following these instructions or not including complete information as requested may result in a lower evaluation score or the proposal being declared non-responsive. For each part of the response, restate the RFP item immediately above the response. Pages in the proposal shall be numbered. When asked, please provide details and state all qualifications or exceptions. All information supplied should be concise and relevant to qualifications.

#### **1.4.6 Contacts with LACERA Personnel**

Contacts with LACERA personnel about this RFP, and all inquiries and requests for information shall be directed to the Point of Contact identified below:

Cookie Jaranilla  
Senior Project Manager  
PMO Office  
Gateway Plaza  
300 North Lake Avenue, Suite 750  
Pasadena, CA 91101-4199  
Phone: 626-564-2329  
Email: [cjaranilla@lacera.com](mailto:cjaranilla@lacera.com)

#### **1.5 Quiet Period**

To ensure that prospective Respondents to this RFP have equal access to information about the RFP; and communications related to the RFP are consistent and accurate so that the selection process is efficient and fair, a quiet period will be in effect from the date of issuance of this RFP until the selection of one or more respondents is completed and announced.

This RFP and other relevant information related to the RFP, including addenda, modifications, answers to questions, and other updates, will be available to the public at [Lacera.com](http://Lacera.com). Each respondent to this RFP will be subject to the same terms and conditions and will receive the same information.

During the quiet period, respondents are not allowed to communicate with any LACERA staff members or Board Trustee regarding this RFP except through the point of contact named herein. Respondents violating the quiet period may be disqualified at LACERA's discretion.

Respondents who have existing relationships with LACERA must limit their communications between LACERA staff and Board Trustees to the subject of the existing services provided by them.

## 1.6 RFP Scoring and Selection Criteria

RFPs will be scored according to the criteria in section 6. Selected Respondents may be invited to an interview by LACERA's Board(s). At LACERA's discretion, selected Respondents may be offered the opportunity to present their materials to the Board(s).

## 1.7 Intent to Respond

If your firm chooses to respond to this RFP, please send the Intent to Respond, *Appendix F*, via email to Cookie Jaranilla at [cjaranilla@lacera.com](mailto:cjaranilla@lacera.com), by 5:00 p.m. PST, March 22, 2022. Failure to send your Intent to Respond may disqualify your firm from submitting a response to this RFP.

## 1.8 Notice to Respondents Regarding the Public Records Acts and the Ralph M. Brown Act:

The information submitted in response to this RFP will be subject to public disclosure pursuant to the California Public Records Act (California Government Code Section 6250, et. seq., the "Act"). The Act provides generally that all records relating to a public agency's business are open to public inspection and copying unless specifically exempted under one of several exemptions set forth in the Act. If a respondent believes that any portion of its proposal is exempt from public disclosure or discussion under the Act, the respondent must provide a full explanation and mark such portion "TRADE SECRETS," "CONFIDENTIAL" or "PROPRIETARY," and make it readily separable from the balance of the response. Proposals marked "TRADE SECRETS," "CONFIDENTIAL" or "PROPRIETARY" in their entirety will not be honored, and LACERA will not deny public disclosure of all or any portion of proposals so marked.

By submitting a proposal with material marked "TRADE SECRETS," "CONFIDENTIAL" or "PROPRIETARY," a respondent represents it has a good faith belief that the material is exempt from disclosure under the Act; however, such designations will not necessarily be conclusive, and a respondent may be required to justify in writing why such material should not be disclosed by LACERA under the Act. Fee and pricing proposals are not considered "TRADE SECRET," "CONFIDENTIAL" or "PROPRIETARY".

If LACERA receives a request pursuant to the Act for materials that a respondent has marked "TRADE SECRET," "CONFIDENTIAL" or "PROPRIETARY," and if LACERA agrees that the material requested is not subject to disclosure under the Act, LACERA will, if time permits, either notify the respondent so that it can seek a protective order at its own cost and expense, or LACERA will deny disclosure of those materials. LACERA will not be held liable, however, for disclosure of such materials, data, and information or for disclosure of such materials if deemed appropriate in LACERA's sole discretion. LACERA retains the right, in its sole discretion, to disclose all information provided by a

respondent, regardless of how such information is labeled.

If LACERA denies public disclosure of any materials designated as “TRADE SECRETS,” “CONFIDENTIAL” or “PROPRIETARY”, the respondent agrees to reimburse LACERA for, and to indemnify, defend and hold harmless LACERA, its Boards, officers, fiduciaries, employees and agents from and against:

1. All claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses, including without limitation attorneys’ fees, expenses, and court costs of any nature whatsoever (collectively, Claims) arising from or relating to LACERA’s non- disclosure of any such designated portions of a proposal; and
2. All Claims arising from or relating to LACERA’s public disclosure of any such designated portions of a proposal if LACERA determines disclosure is deemed required by law, or if disclosure is ordered by a court of competent jurisdiction.

If LACERA staff recommends any respondent to the Boards for hiring, such recommendation, the reasons for the recommendation and the relevant proposal(s) will appear on a publicly posted agenda and in supporting materials for public meetings of the Boards.

Nothing in this RFP requires LACERA to withhold any documents from production under the Act.

## **1.9 Notice to Respondents Regarding LACERA Data Protection:**

LACERA, its consultants, vendors, and contractors have a duty to protect all LACERA data, including without limitation, information related to members and beneficiaries, finances, systems, and operations. Depending upon the scope of work, the finalist selected through this procurement may have access to sensitive information protected by LACERA’s internal policies, state law, and federal law. In such a case, by submitting a proposal, Respondent agrees to subject itself to certain contractual terms designed to protect such information, including without limitation cyber liability insurance, SOC-2 reports (or), in the alternative, a Security Controls Report as per Appendix G, systems penetration testing, and HIPAA Business Associate agreements, as the case may be. Respondents shall inform LACERA in their response if they have any limitations to agreeing to such terms. Respondents that do not make reservations shall lose their right to do so at the contracting phase

## **1.10 Contract Negotiations**

Upon Board approval, staff will enter contract negotiations with the approved Respondent(s). LACERA may end negotiations, at its sole discretion, if it believes a satisfactory agreement cannot be negotiated. LACERA reserves the right to award a

contract based upon proposals received; you should not rely upon the opportunity to alter your proposal (e.g., services to be provided, fees, etc.) during contract negotiations.

The final contract must allow LACERA to terminate a) for its convenience, b) if funds are not appropriated for the services to be provided, and c) for default.

The general form of the contract LACERA intends to use for this engagement is attached as Appendix E. By sending a proposal without comment on the general form contract, Respondent agrees to each term in the contract, and will not seek any modifications to the contract. LACERA has the right to change or negotiate contract terms different than those in Appendix E in our sole discretion.

Respondents are required to clarify, identify and explain any exception that it desires to take to any of the terms and conditions of this RFP. In addition, a respondent will be deemed to have agreed to each clause in the retainer agreement (and not to seek inclusion of additional clauses), unless the respondent identifies an objection or inclusion, sets forth the basis for the objection or inclusion, and provides substitute language to make the clause acceptable to the respondent or to address an issue the respondent feels is not addressed by the agreement in its response to this RFP. If a satisfactory agreement cannot be negotiated with one or more of the firms, LACERA may, at its sole discretion, terminate such negotiations. LACERA, may then, at its option, initiate fee negotiations with another firm, and so on.

At LACERA's discretion, the term of the contract entered under this RFP may be for an initial period of up to five (5) years, beginning from the date of final execution. There may be two (2) one-year extensions under the same terms and conditions at LACERA's option. All contracts may be terminated at LACERA's convenience at any time.

### **1.11 Reservations by LACERA:**

In addition to the other provisions of this RFP, LACERA reserves the right to:

- 1.1.2. Cancel or modify this RFP, in whole or in part, at any time.
- 1.1.3. Make such investigation as it deems necessary to determine the Respondent's ability to furnish the required services, and the respondent agrees to furnish all such information for this purpose as LACERA may request.
- 1.1.4. Reject the proposal of any respondent who is not currently in a position to perform the contract, or who has previously failed to perform similar contracts properly, or in a timely manner or for any other reason in LACERA's sole discretion.

- 1.1.5. Waive irregularities, to negotiate in any manner necessary to best serve the public interest, and to make a whole award, multiple awards, a partial award, or no award.
- 1.1.6. Award a contract, if at all, to the firm which will provide the best match to the requirements of the RFP and the service needs of LACERA in LACERA's sole discretion, which may not be the proposal offering the lowest fees or achieving the highest score, and to change the terms of the proposed agreement attached as Appendix E.
- 1.1.7. Request additional documentation or information from respondents. Requested information may vary by respondent. LACERA may ask questions of any respondent to seek clarification of a proposal or to ensure the Respondent understands the scope of the work or other terms of the RFP.
- 1.1.8. The right to choose to not enter into an agreement with any of the respondents to this RFP or negotiate for the services described in this RFP with a party that did not submit a proposal.
- 1.1.9. Determine the extent, without limitation, to which the services of a successful respondent are or are not actually utilized.
- 1.1.10. Defer selection of a winning bidder to a time of LACERA's choosing.
- 1.1.11. Consider information about a respondent in addition to the information submitted in the response or interview.
- 1.1.12. Add terms and conditions during contract negotiations.
- 1.1.13. The information that a respondent submits in response to this RFP becomes the exclusive property of LACERA. LACERA will not return any proposal or reimburse proposal preparation expenses.
- 1.1.14. LACERA shall not be liable for any costs respondents incur in connection with the preparation or submission of a proposal.

## 2. LACERA Overview

LACERA is a tax-qualified defined benefit public pension fund established to administer retirement, disability, and death benefits for the employees of the County of Los Angeles and other participating agencies pursuant to the County Employees Retirement Law of 1937 (CERL) (California Government Code Section 31450, et seq.), the California Public Employees' Pension Reform Act of 2013 (PEPRA) (California Government Code Section 7522, et seq.), LACERA's Bylaws and Board Policies, and other applicable California law. LACERA also administers the County's medical, dental retiree health benefits program and Other Postemployment Benefits (OPEB) Trust.

LACERA operates as an independent governmental entity separate and distinct from Los Angeles County and the other participating agencies. LACERA has approximately 186,300 members and payees, including 100,000 active members, 16,600 deferred and inactive members that are eligible for future retirement benefits, 60,200 retired members, and 9,500 survivors. About 56,000 retired members and survivors take part in the medical and dental retiree healthcare programs. In addition to benefits administration, the fund invests in assets to support payment of the promised pension benefits as well as additional sums to support the retiree healthcare program.

The Respondent(s) selected through this RFP process will be recommended to LACERA's Board of Retirement (BOR) for final selection and approval. The BOR has responsibility over administration of pension and healthcare benefits and other fund administrative issues. The BOR comprises four Trustees elected by the general, safety, and retired members, four Trustees appointed by the County's Board of Supervisors, and the sitting County Treasurer and Tax Collector as an ex officio Trustee. The BOR also has two alternate Trustees, one elected by safety members, and one elected by retired members.

The Boards and their Trustees have fiduciary duties as defined in Article XVI, Section 17 of the California Constitution and CERL, with duties owed to the plan members and their beneficiaries taking precedence over any other duties.



### 3. Current Environment

LACERA’s central financial system is Great Plains; implemented modules include General Ledger, Accounts Payable, Purchasing, Accounts Receivable, Human Resources, Fixed Assets, Payroll, and Contracts. Payroll is processed by Los Angeles and recorded in Great Plains. Budget information is gathered through Microsoft Excel and entered to Great Plains. Systems are supported by LACERA staff. Great Plains maintains the official accounting information for LACERA and is the basis for all official operational and fund reports, and statements. It is the source for LACERA’s Annual Financial Report and other audited financial statements and reports.

Departmental processing systems and reporting environments also rely upon Great Plains. Departments also use standalone systems, spreadsheets, and other tools to track, maintain, and report on all types of financial information.

LACERA will at future date migrate to new modern ERP system.

**Table 2 - Existing Application Services**

Applications
MS Dynamics GP 2018
Future Modern ERP System (Financial, Human Resources)
Los Angeles County Custom Payroll Application (Time Entry, Payroll, Benefit Accruals)
ECLM – Contract Management

Table 3 - Key Metrics (yearly) provides information regarding key metrics to aid Proposers in preparation of their proposed solution and pricing.

**Table 3 - Key Metrics (yearly)**

Metric	Information
<b>Finance</b>	
Full Time Equivalents	400
Employees/consultants accessing the system	60
Chart of Accounts (Funds)	11
Chart of Accounts (Departments)	18

## 4. Budget System Requirements

Proposers must respond to the Budget System Requirements included in Appendix A – Requirements.

The requirements in Appendix A – Requirements, include “Desired” requirements. **Proposers are to respond to each of the requirements for the application(s) being proposed with one of the following response codes:**

- Y – Meets requirement
- N – Does not meet requirement
- F – Planned for future release
- W – Workaround proposed or customization needed to meet requirement
- C – Customization need to meet requirement
- T – Third-party solution to meet requirement

Response codes “Y” and “N” do not require written responses in the Vendor Response/Comments column unless the proposer wishes to present additional benefits or opportunities to their solution and the requirement. However, response codes “F”, “W”, “C”, and “T” do require written responses in the Vendor Response/Comments column. For these response codes, proposers must describe how the requirement will be met and when. Proposers must also provide a statement assuring any customizations will be completed by the associated go-live and any associated cost (e.g., one-time and ongoing) is provided in Appendix B – “Price Sheet”. Any third-party solution must include information regarding how and by whom the installation and interface will be completed.

## 5. Proposal Submission Requirements

### 5.1 General Instructions

**All proposers shall comply with the submission requirements described in Section 1.4.3 – Proposal Submission Requirements of this RFP.**

Proposals should be prepared simply and economically and provide a straightforward, concise description of the Proposer's company, qualifications, proposed solution, and capabilities to satisfy the requirements of this RFP. Emphasis should be on completeness and clarity of content. Glossy sales and marketing brochures are not to be included.

Proposals should be organized consistent with the outline provided in this section of the RFP. Respondents should follow all formats and address all portions of the RFP set forth herein providing all information requested. Proposers may retype or duplicate any portion of this RFP for use in responding to the RFP, provided that the proposal clearly addresses all LACERA's information requirements.

### 5.2 Proposal Format and Content

Proposals should be structured, presented, and labeled in the following manner:

- Cover Letter
- Table of Contents
- Executive Summary
- Company Background
- Company Qualifications
- References
- Proposed Solution
- Implementation Approach and Work Plan
- Ongoing Maintenance and Support
- Pricing
- Software Licensing and Maintenance Agreements

Failure to follow the specified format, to label the responses correctly, or to address all the subsections may, at LACERA's sole discretion, result in the rejection of the Proposal.

#### Cover Letter

The proposal should include a cover letter, no longer than two (2) pages (excluding exceptions), which provides the following:

- A. Proposer's legal name and corporate structure, including state incorporated in.
- B. Proposer's primary contact to include name, address, phone, and email.
- C. Proposer must identify all modules, applications, etc. being proposed.
- D. Identification of use of subcontractors and scope of work to be performed by subcontractors, if any.
- E. Identification of any pending litigation against the Proposer.
- F. Disclosure of any bankruptcy or insolvency proceedings in the last ten (10) years.

- G. Statement indicating that the proposal remains valid for at least 180 days or longer if contract negotiations have begun but have not been completed.
- H. Statement that the Proposer or any individual who will perform work for the Proposer is free of any conflict of interest (e.g. employment by LACERA).
- I. Statement acknowledging any addenda to the RFP issued by LACERA.
- J. Signature of a company officer empowered to bind the Proposer to the provisions of this RFP and any contract awarded pursuant to it.

## Table of Contents

All sections should be identified and pages are to be consecutively numbered.

## Executive Summary

This section of the proposal should provide a brief and concise synopsis of Proposer's solution and a description of the Proposer's credentials to deliver the services sought under the RFP.

## Company Background

This section of the proposal should identify the following:

- A. A brief description of the Proposer's background including the number of employees and the number of clients running a similar solution.
- B. Identify the location of headquarters, technical support, and field offices and the location of office which would service LACERA.
- C. Identify Proposer's annual company revenues and profit for the last three company fiscal years.
- D. Identify similar functioning and/or competing products also sold by Proposer' organization.

## Company Qualifications

In this section of the proposal, the Proposer should identify company qualifications and experience in implementing solutions similar to what LACERA is seeking and LACERA's services.

- A. Describe the Proposer's familiarity with public sector Budget systems and associated business processes, and specific experience with the requirements of government agencies.
- B. Identify Proposer's existing client base including the number of existing clients using the version/release of the software being proposed. Specifically identify experience with similar sized California agencies.

## References

The Proposer must provide five (5) references with at least three (3) of the references for similar systems that have been implemented in the last five years. LACERA prefers references from government agencies of similar size and complexity to LACERA. For each reference, Proposer must provide the following:

- A. Reference name and contact information (i.e. name, title, address, phone, and email).
- B. Brief project description, including identifying the software version, modules, and interfaces implemented.
- C. Implementation timeline and Go-Live date.

In addition, and though not requirement; LACERA is requesting Proposers to submit in PDF or electronically examples of budget reports and annual budget documents.

## Proposed Solution

In this section of the proposal, the Proposer should identify the proposed solution. LACERA is open to receiving proposals for different solution types (e.g. on-premise, SaaS). If the Proposer has different solutions types for the same software, LACERA would like pricing for each solution type (see Appendix B – Price Sheet for more information). Proposals must provide the following:

- A. Overview
  - a. Name and origin of solution.
  - b. Solution type (on-premise or SaaS – LACERA is open to both)
  - c. Describe the database platform.
  - d. Release history and current release being proposed.
  - e. Proposed modules.
  - f. Proposed tools for LACERA staff to update the system with patches and new releases as well as descriptions of the processes used to update and/or patch the system.
  - g. Hardware, software, and database specifications required for the proposed solution – include all server and /or client specifications (for on premise solutions).
  - h. Mobile capabilities of the proposed modules, including any restrictions, such as mobile platform (iOS and Android).
- B. Functionality
  - a. Provide information for application workflow.
  - b. Describe the various ways which workflow can be based on (e.g. department, roles, etc.).
- C. Application Integration/Interface
  - a. Describe how Proposer would support and manage the integration/interface with LACERA’s existing applications (as identified in RFP Section 3 – Current Environment) with the proposed Budget system.
  - b. Describe Application Programming Interfaces (APIs) and web-services available to pull and push data:
    - i. Are the APIs secured and encrypted?
    - ii. Programming language(s) that interface with the APIs.
    - iii. Is there an option to access the data directly from the database?
- D. Data Storage and Backup (SaaS solutions only)
  - a. Describe approach to data storage.
  - b. Describe data backup processes.
  - c. Describe the network bandwidth required between LACERA and hosting facilities.
  - d. Describe scalability options for computing power (CPU, RAM, and storage).
- E. Data Access and Security (SaaS solution only)
  - a. Describe how data access is managed.
  - b. Describe the environment (single or multi-tenant).
    - i. If a multi-tenant environment, how is the data segregated?
    - ii. If a multi-tenant environment, how is security managed?
  - c. Describe your vetting process when hiring new employees who will have access to LACERA data.
- F. Business Continuity and Disaster Recovery (SaaS Solution only)

- a. Describe your approach to business continuity and disaster recovery.
- b. Describe any redundancies or processes in place to assure high application availability.
- c. Describe any redundancies or processes in place to assure high database availability.
- G. Service Level Agreements (SLA) (SaaS solution only)
  - a. Describe supported SLA options (e.g. reliability, availability, performance, issues, request, system response time, etc.).
- H. Transition (SaaS solution only)
  - a. Describe the roles and responsibilities of LACERA and the vendor in the event of a contract termination.
  - b. Describe how the vendor will provide LACERA's data.
- I. Software Modifications
  - a. Describe proposer's process for software change requests, as well as how proposer determines which requests are implemented and when.
  - b. Describe how the proposer keeps system documentation up to date and how it can be accessed by staff.
  - c. Describe any ability of LACERA to modify the software if necessary or desired.
- J. Provide a response to each item in Appendix A – Requirements:
  - a. LACERA will provide a copy of RFP Appendix A – Requirement in MS Word. Proposers should use that file to address each requirement in Appendix A – Requirements, as described in Section 4 - Budget System Requirements.

## Implementation Approach and Work Plan

The Proposer should identify the proposed implementation approach to include the following:

- A. Provide a project organization chart highlighting the key staff who will be assigned to the project. Provide bios for the project manager and other key assigned resources.
- B. Describe your project management methodology/approach, including your approach to Change Management, Risk Management, Issues Management, and Communications Management.
- C. Based on Proposer's experience with similar size and complexity agencies, provide a recommended project phasing and implementation schedule, including milestones. Include in the implementation schedule a Go-Live date of January, 2023.
- D. List and describe all implementation deliverables and documentation that will be provided.
- E. Describe the roles and responsibilities of LACERA staff during implementation and provide an estimated level of effort (e.g. 1 FTE, .5 FTE, 20% FTE, etc.)
- F. Describe Proposer's data conversion and migration approach, including roles and responsibilities of the vendor and LACERA staff for key activities. LACERA would like to convert five years of history along with the current year transactions (This must be included in Appendix B – Price Sheet.
- G. Describe Proposer's services and support to perform the data extraction from the existing system, data cleansing, and mapping. If the Proposer does not offer these services, please identify alternative companies that can support this activity. If the Proposer offers these services, they must be listed as an "Optional Service" in Appendix B – Price Sheet.
- H. Describe Proposer's training plan to ensure LACERA is prepared to operate the system prior to go live.
- I. Describe Proposer's testing approach to include the criteria and methods to ensure successful completion of user acceptance testing prior to go live.

## Ongoing Maintenance and Support

In this section of the proposal, the Proposer should address the following:

- A. Describe ongoing support services including:
  - a. Help desk processes and procedures.
  - b. Support hours (in Pacific Time zone).
  - c. Describe how request for service are tracked and status is communicated back to LACERA.
  - d. Describe how request for service are prioritized and describe escalation procedures.
  - e. Describe response time commitments for various priority items.
  - f. Describe LACERA's expected role in the process.
- B. Describe monitoring and alerting processes.
- C. Describe the roles and responsibilities of LACERA staff (IT and business application users) post implementation and provide an estimated level of effort to support and administer the system.
- D. Describe how upgrades, patches, and other maintenance is performed including:
  - a. LACERA's expected roles in the process.
  - b. The frequency of application releases and patches over the past three (3) years.
  - c. Describe how LACERA will be notified of upgrades, patches, etc. and how much lead time they will be notified prior to the upgrade, patch, etc.
  - d. Describe any downtime related to upgrades and patches.
  - e. Describe LACERA's ability to delay, test, accept, and/or deny applying changes.
- E. Describe system change/enhancement request processes post go live.
- F. Identify if there are any solution user groups and/or user conferences.
- G. Describe training materials and information available for employees to use post go live.

## Pricing (Appendix B – Price Sheet)

LACERA seeks a clear and comprehensive understanding of all costs associated with the software, implementation services, and ongoing maintenance of the proposed system. LACERA will evaluate proposals based on the "Total Cost to Implement (TCI)" and the "Total Cost to Operate (TCO)." TCI will include all costs required for a successful implementation. The TCO will be calculated based on TCI plus five (5) years of annual maintenance fees or SaaS service fees.

The Proposer's implementation pricing must identify all costs required to include:

- Software Licensing Costs/Hosting Costs/SaaS
- Implementation Services
  - Project management
  - Implementation, installation, configuration, and testing
  - Data conversion and migration
  - Interface development
  - Training and documentation
  - Go-Live
- Travel

The Proposer's ongoing maintenance and support pricing should clearly identify the annual costs for 5 years to include:

- Software Maintenance
- Post Implementation Support

Respondents should complete the Pricing Sheets (Appendix B – Price Sheet) and provide them following this section. If there is a discrepancy in any proposal between the aggregate price and the price per license/unit for any product, the aggregate price shall control.

### **Software Licensing and Maintenance Agreements**

In this section, the Proposer must provide any software licensing, SaaS, maintenance, or 3<sup>rd</sup> party agreements that will be required to implement and use the Proposer's solution. This is to include any required or recommended software to be loaded on servers and/or client workstations.



## 6. Proposal Evaluation

An evaluation committee will be appointed to review all proposals received for this RFP. The committee is comprised of LACERA staff and may include outside personnel and/or consultants. The committee members will evaluate the written proposals using identified criteria in Section 6.2 – Proposal Evaluation Criteria. A list of top-ranked proposals from proposers within a competitive range will be developed based upon the totals of each committee member’s score for each proposal.

An administrative review of proposals will be completed. The administrative review will focus on but is not limited to completeness of the Section 5 – Proposal Submission Requirements and Appendix B – Price Sheet.

A detailed evaluation of proposals will be completed for all proposal approved after the administrative review process. A detailed evaluation of the proposal will be completed as described in Section 6.2 – Proposal Evaluation Criteria. Proposal approved from the detailed evaluation will create a “shortlist”. Proposers will be invited to participate in POC demonstrations. POC demonstrations will be evaluated using identified criteria in Section 6.3 – Proof of Capability Evaluation Criteria.

At the conclusion of the proposal evaluation and POCs, proposers remaining within the competitive range may be asked to submit a best and final offer (BAFO). In the BAFO request, Proposers may be asked to provide additional information, confirm and/or clarify issues, and submit a final cost/price offer. A deadline for submission will be stipulated.

At the conclusion of the evaluation process, the evaluation committee will recommend award to the Proposer(s) earning the highest overall evaluation score(s). Any proposal submitted in response to this RFP will be evaluated in strict accordance with the stated evaluation criteria. LACERA reserves the right to award the contract(s) to the Proposer(s) whose proposal provides the best overall match to the RFP requirements, and who best serves LACERA’s interests and not necessarily to a Proposer(s) with the lowest cost proposal or highest evaluation score.

### 6.1 Basis for Award

Following the evaluation committee’s review of the proposals received, LACERA staff will submit to the Board, with approval from the Budget and Implementation Committee, a recommendation for award of a contract to the Proposer(s) considered to be the most competitive and advantageous to LACERA.

Negotiations may or may not be conducted with Proposer(s); therefore the proposal submitted should contain the Proposer(s) most favorable terms and conditions, since the selection and award may be made without discussion with any Proposer. LACERA may also negotiate contract terms with the selected Proposer(s) prior to award and expressly reserves the right to negotiate with several Proposers simultaneously and, thereafter, to award a contract to the Proposer offering the most favorable terms to LACERA.

The selected Proposer will be required to submit to LACERA’s Finance and Accounting Services Division a current IRS Form W-9 prior to commencing work.

## 6.2 Proposal Evaluation Criteria

Proposals will be evaluated as follows with a maximum 100 total points possible. The evaluation score for the proposals will be used to determine a shortlist of proposers for proof of capability demonstrations. Proposal will be evaluated for, but not limiting to:

- Quality, clarity, and responsiveness of proposal
- Ability to meet the needs of LACERA
- Well thought-out timeline and roadmap for “go live” with a phased approach (to be finalized during contract negotiations)
- Proven technical ability to design, install, and support the proposed system
- Anticipated value and price
- Perceived risk or lack thereof
- Company financial stability
- References
- Commitment to continually evolve the system to remain current with legal requirements, such as reporting, as well as operational best practices
- Customer service history
- Ability and flexibility to integrate with other systems and applications

Based on Section 5.2 - Proposal Format and Content the following max points will be assigned:

- Cover Letter, Table of Contents, Executive Summary, Company Background, Company Qualifications, and References (20 points)
- Proposed Solution (25 points)
- Implementation Approach and Work Plan (20 points)
- Ongoing Maintenance and Support (10 points)
- Pricing (25 points)
- Software Licensing and Maintenance Agreements (0 points)

## 6.3 Proof of Capability Evaluation Criteria

Demonstrations will be evaluated with maximum 100 total points possible. The evaluation score for the demonstrations will be used to help identify the proposer to be recommended for award of a contract. Demonstrations will be evaluated for, but not limiting to:

- Quality, and clarity of demonstration
- Ability to successfully complete the demonstration scripts with little to no modification to the application(s)
- Intuitiveness of the application when demonstrating the scripts
- Consistent layout of the application(s)
- Perceived processing efficiencies

Proof of capability max points will be assigned:

- Completion of all scripts provided (50 points)
- Perceived usability of the application while scripts are completed (50 points)

LACERA reserves the right, at its sole discretion, to request clarifications of proposals and/or demonstrations, or to conduct discussions for the purpose of clarification with any or all Proposers. The purpose of any such discussions shall be to ensure full understanding of the proposal. If clarifications are made as a result of such discussion, the Proposer shall put such clarifications in writing.

## **7. RFP Terms and Conditions**

### **A. Collusion**

By submitting a response to the RFP, each Proposer represents and warrants that its response is genuine and made in the interest of, or on behalf of, itself and not on behalf of any person not named therein; that the Proposer has not directly induced or solicited any other person to submit a false response or any other person to refrain from submitting a response; and that the Proposer has not in any manner sought collusion to secure any improper advantage over any other person submitting a response.

### **B. Gratuities**

No person will offer, give, or agree to give, any LACERA employee or its representatives any gratuity, discount, or offer of employment in connection with the award of a contract by LACERA.

### **C. Required Review and Waiver of Protests**

Proposers should carefully review this RFP and all attachments/appendices and ask any questions necessary to clarify the material. Proposer, by responding to this RFP, represents that he or she has read and understands the RFP documents and that proposals are submitted in accordance with enclosed specifications. Questions concerning the RFP must be made in writing and received by the RFP Coordinator no later than the "Deadline for Proposer Questions" identified in Section 1.3 – RFP Timeline, Table 1 – RFP Event.

### **D. Nondiscrimination**

No person will be excluded from participation in, be denied benefits of, be discriminated against in the admission or access to, or be discriminated against in treatment or employment in LACERA's contracted programs or activities on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by federal or California State Constitutional or statutory law; nor will they be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of contracts with LACERA or in the employment practices of LACERA's contractors. Accordingly, all Proposers entering into contracts with LACERA will, upon request, be required to show proof of such nondiscrimination and to post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

### **E. Proposal Preparation Costs**

The Proposer is responsible for any and all costs associated with the preparation, submittal, and presentation of any proposal.

### **F. Proposal Withdrawal**

To withdraw a proposal, the Proposer must submit a written request, signed by an authorized representative, to the RFP Coordinator identified in Section 1.4 – RFP Communication. After withdrawing a previously submitted proposal, the Proposer may submit another proposal at any time up to the deadline for submitting proposals.

## **G. Proposal Errors**

Proposers are liable for all errors or omissions contained in their proposals. Proposers will not be allowed to alter proposal documents after the deadline for submitting a proposal. LACERA, at its discretion, has the right to accept or reject a proposal in part or whole due to errors and/or omissions of the response.

## **H. Incorrect Proposal Information**

If LACERA determines that a Proposer has provided, for consideration in the evaluation process or contract negotiations, incorrect information which the Proposer knew or should have known was materially incorrect, that proposal may be determined non-responsive, and the proposal may be rejected at the sole discretion of LACERA.

## **I. Assignment and Subcontracting**

The Proposer may not subcontract, transfer, or assign any portion of the contract without prior, written approval from LACERA. Each subcontractor must be approved in writing by LACERA. The substitution of one subcontractor for another may be made only at the discretion of LACERA and with prior, written approval from LACERA.

Notwithstanding the use of approved subcontractors, the Proposer, if awarded a contract under this RFP, will be the prime contractor and will be responsible for all work performed and will be responsible for all costs to subcontractors for services provided by the Proposer.

## **J. Right to Refuse Personnel**

LACERA reserves the right to refuse, at its sole discretion, any subcontractors or any personnel provided by the prime contractor or its subcontractors. LACERA reserves the right to interview and approve all Proposer staff members. Proposer's staff may be subject to LACERA's background check processes at any time.

## **K. Proposal of Additional Services**

If a Proposer indicates an offer of services in addition to those required by and described in this RFP, these additional services may be added to the contract before contract signing at the sole discretion of LACERA.

## **L. Licensure**

Before a contract pursuant to this RFP is signed, the Proposer must hold all necessary, applicable business and professional licenses. LACERA may require Proposers to submit evidence of proper licensure.

## **M. Conflict of Interest and Proposal Restrictions**

Proposer certifies that no amount will be paid directly or indirectly to an employee or official of LACERA as described in 7.B - Gratuities. Any individual, company, or other entity involved in assisting LACERA in the development, formulation, or drafting of this RFP or its scope of services will be considered to have been given information that would afford an unfair advantage over other Proposers, and said individual, company, or other entity may not submit a proposal in response to this RFP.

Proposer warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under the contract resulting from this RFP. Proposer also warrants that, to the best of its knowledge, no officer, agent or employee of LACERA who shall participate in any decision relating to this RFP and the resulting contract, currently has, or will have in the future, a personal or financial interest in the Proposer's business.

## **N. Contract Negotiations**

After all evaluation of proposals, on-site interviews, and demonstrations have been completed, LACERA will select the finalist Proposer based on the criteria defined in Section 6 - Proposal Evaluation, as determined by LACERA in its sole discretion. LACERA and the finalist Proposer will enter into final contract negotiations using the legal agreement(s) in the finalist Proposer's proposal as the base document. The negotiations are intended to result in a contract which is deemed by LACERA, in its sole discretion, to be in LACERA's best interests. After the final negotiations, LACERA will make a recommendation to LACERA's Board regarding the contract award. If LACERA determines in its sole discretion that a satisfactory agreement cannot be entered into with the finalist Proposer, LACERA reserves the right to enter contract negotiations with an alternative Proposer.

LACERA also reserves the right to identify more than one finalist Proposer, to enter into contract negotiations with more than one finalist Proposer simultaneously, and to award the contract to any such finalist Proposer with whom it is negotiating.

## **O. Right of Rejection**

LACERA reserves the right, at its sole discretion, to reject any and all proposals and solicit or advertise again. LACERA also reserves the right to cancel this RFP in its entirety.

Any proposal received which does not meet the requirements of this RFP may be considered nonresponsive and the proposal may be rejected. Proposers must comply with all the terms of this RFP and all applicable federal and state laws and regulations. LACERA may reject any proposal that does not comply with all the terms, conditions, and performance requirements of this RFP.

Proposers may not restrict the rights of LACERA or otherwise qualify their proposals. If a Proposer does so, LACERA may determine the proposal to be a nonresponsive counteroffer, and the proposal may be rejected.

LACERA reserves the right, at its sole discretion, to waive variances in technical proposals provided such action is in the best interest of LACERA. Where LACERA waives minor variances in proposals, such waiver does not modify the RFP requirements or excuse the Proposer from full compliance with the RFP. Notwithstanding any minor variance, LACERA may hold any Proposer to strict compliance with the RFP.

## **P. Disclosure of Proposal Contents**

All proposals and other materials submitted in response to this RFP procurement process become the property of LACERA. Selection or rejection of a proposal does not affect this right. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process and until negotiations with the finalist Proposer are complete. Upon the completion of the

evaluation of proposals, negotiations, and contract award, the proposals and associated materials will be open for review by the public to the extent allowed by the California Public Records Act (CPRA), (Government Code Section 6250-6270 and 6275-6276.48). By submitting a proposal, the Proposer acknowledges and accepts that the contents of the proposal and associated documents will become open to public inspection.

### **Q. Proprietary Information**

The master copy of each proposal will be retained for official files and will become public record after the award of a contract unless the proposal or specific parts of the proposal can be shown to be exempt by law (Government code §6276). Each Proposer may clearly label part of a proposal as "CONFIDENTIAL" if the Proposer thereby agrees to indemnify and defend LACERA for honoring such a designation. The failure to so label any information that is released by LACERA will constitute a complete waiver of all claims for damages caused by any release of the information.

### **R. Severability**

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and the rights and obligations of LACERA and Proposers will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

### **S. RFP and Proposal Incorporated into Final Contract**

Relevant portions of this RFP and the successful proposal will be incorporated into the final contract.

### **T. Proposal Amendment**

LACERA will not accept any amendments, revisions, or alterations to proposals after the deadline for proposal submittal unless such is formally requested, in writing, by LACERA.

### **U. Consultant Participation**

LACERA reserves the right to share with any consultant of its choosing this RFP and proposal responses in order to secure a second opinion. LACERA may also invite said consultant to participate in the Proposal Evaluation process.

### **V. Warranty**

The selected software Proposer will warrant that the proposed software will conform in all material respects to the requirements and specifications as stated in this RFP, demonstrated in both the software demonstration and subsequent POC. Further, that the requirements as stated in this RFP will become part of the selected software Proposer's license and the software Proposer will warrant to the requirements. The selected Proposer must warrant that the content of its proposal accurately reflects the software's capability to satisfy the functional/technological requirements as included in this RFP. Furthermore, the warranty, at a minimum, should be valid for the duration of the implementation and until final acceptance (as will be defined during the negotiation process) of all application modules included in the implementation.

## **W. Rights of LACERA**

LACERA reserves the right to:

- Make the selection based on its sole discretion
- Reject any and all proposals
- Cancel or withdraw the RFP, or any part thereof, at any time without prior notice
- Issue subsequent RFP
- Postpone opening proposals, if necessary, for any reason
- Remedy errors in the RFP process
- Approve or disapprove the use of subcontractors
- Appoint an evaluation committee to review written proposals
- Seek the assistance of outside technical experts
- Establish a shortlist of Proposers eligible for interview after review of written proposals
- Negotiate with any, all, or none of the Proposers
- Solicit BAFOs from all of some of the respondents
- Accept other than the lowest offer
- Make an award for a portion of the Scope of Work
- Waive informalities and irregularities in the proposals
- Award contracts to one or more Proposers
- Enter into an agreement with another Proposer in the event the originally selected Proposer defaults or fails to execute an agreement with LACERA

An agreement will not be binding or valid with LACERA unless and until it is approved by LACERA's Board and executed by authorized representatives of LACERA and of the Proposer.

## **X. Debriefings**

Proposers who submit a proposal in response to this RFP shall be notified in writing regarding the results of LACERA's recommendation for award.

Unsuccessful Proposers (those who were not awarded a contract) may obtain an explanation concerning the strengths and weaknesses of their proposal. Unsuccessful Proposers who wish to be debriefed should request a debriefing within ten (10) calendar days after the notice of contract award.



## **Appendix A – Requirements**

See attached documents to the PDF.

## **Appendix B – Price Sheet**

See Attached documents to the PDF.

## **Appendix C – Minimum Qualifications Certificate**

See Attached documents to the PDF

## **Appendix D – Questionnaire**

See Attached documents to the PDF

## **Appendix E – Agreement for Services**

See Attached documents to the PDF

## **Appendix F – Intent to Respond**

See Attached documents to the PDF

## **Appendix G – IT Security Controls**

See Attached documents to the PDF

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# 1 Instructions

As stated in RFP Section 4, the Proposer must use this document to respond to the requirements included herein.

**Proposers are to respond to each requirement for the application(s) being proposed with one of the following response codes:**

- Y - Meets requirements with current version of software with no customization required
- N - Does not meet requirement
- F - Planned for future release to meet requirement
- W - Workaround proposed to meet requirement
- C - Customization needed to meet requirement
- T - Third party solution to meet requirement

Response codes “Y” and “N” do not require written responses in the Vendor Response/Comments column unless the proposer wishes to present additional benefits or opportunities to their solution and the requirement. However, response codes “F”, “W”, “C”, and “T” do require written responses in the Vendor Response/Comments column. For these response codes, proposers must describe how the requirement will be met and when. Proposers must also provide a statement assuring any customizations will be completed by the associated go-live and any associated cost (e.g., one-time and ongoing) is provided in Appendix B – Price Sheet. Any third-party solution must include information regarding how and by whom the installation and interface will be completed.

## 2 General

### 2.1 User Interface

#	Requirement	Response Code	Vendor Response/Comments
2.1.1	Provides a browser-based user interface		
2.1.2	Supports mobile technologies (e.g. smartphones, tablets) including Android and iOS		
2.1.3	Provides fully integrated functionality such that data is entered only one-time and is available throughout the system and available in real-time (single-points of data entry)		
2.1.4	Provides organized screen layouts that are configurable by the user		
2.1.5	Provides consistent use of icons, colors, number decimal, menus across the application		
2.1.6	Provides shortcuts for frequently accessed processes, screens, reports, etc. (e.g. "favorites")		
2.1.7	Provides the ability to create user defined fields		
2.1.8	Provides the ability for user defined fields to be reportable		
2.1.9	Provides the ability for user defined fields to be part of calculated process and/or a calculated field		
2.1.10	Provides open ended search capabilities including wild card capabilities (e.g. word and/or number) that search the application		
2.1.11	Provides in application online help with manuals		
2.1.12	Provides the ability to auto fill fields based on data entered in another field (i.e. name, position, department, account, etc.)		

## 2.2 Workflow

#	Requirement	Response Code	Vendor Response/Comments
2.2.1	Provides integrated workflow management including generation, routing, notification and approval of process, forms, reports, other documents and processes		
2.2.2	Provides a summary or status indicator of each section or task, one place where the status can be viewed (i.e., Black = not started, Yellow = in progress, Green = completed)		
2.2.3	Provides the ability for all staff within workflow to be notified of a pending action for the item processed		
2.2.4	Provides the ability for staff within workflow to check where the transaction is within the workflow approval chain		
2.2.5	Provides the ability to establish approval levels that are inter-department		
2.2.6	Provides the ability for establishing timeframes for approval(s) and optional workflow approval routing if the timeframe is not met		
2.2.7	Provides out of office approval delegation		
2.2.8	Provides multiple attributes to define which users participate in which steps of the workflow processes (e.g. GL number segments, unique groupings, project/task etc.)		
2.2.9	Supports integration with the LACERA's email system to assist in the notification/request of approvals, reject, corrections, and approval through/from email and mobile devices		
2.2.10	Allows document attachment to be available for review through all workflow approval levels		
2.2.11	Provides fields for notes and/or comments from workflow participants		

## 2.3 Document Management

#	Requirement	Response Code	Vendor Response/Comments
2.3.1	Supports the ability to attach multiple media formats (e.g. audio, video, image, etc.) and file types (e.g. Excel, Word, PDF, etc.) to transactions in all modules		
2.3.2	Provides the ability to support retention policies with respect to documents managed by the system		

#	Requirement	Response Code	Vendor Response/Comments
2.3.3	Offers drill-down/drill across features for users to view documents associated with the data entered		
2.3.4	Provides the ability to create, store, retrieve and link electronic images that are attached to the appropriate transaction record for all modules		
2.3.5	Supports document scanning and attachment, and makes documents accessible		

## 2.4 Reporting and Dashboards

### General

#	Requirement	Response Code	Vendor Response/Comments
2.4.1	Provides the ability to query, report, and analyze data		
2.4.2	Provides real-time access to data and data is immediately available for inquiry and reporting		
2.4.3	Allows users to drilldown from reports and inquiries to source transaction and attachments		
2.4.4	Provides full integration with Excel (e.g. worksheet export to Excel, data imported from Excel, etc.)		
2.4.5	Provides the ability for users to export reports to Excel that include formulas/formatting		
2.4.6	Provides the ability to copy and customize standard reports		
2.4.7	Provides the ability for reports to access data across the application, including custom fields		
2.4.8	Provides the ability to create report notification groups and inform/alert groups a new report is available		
2.4.9	Provides the ability to choose a format when exporting a report (e.g. Excel, Adobe, flat file, delimited, etc.)		
2.4.10	Provides the ability to run standard and/or customized reports automatically on a schedule for distribution to a group or individuals		
2.4.11	Provides the ability for reporting to be based on user security setting		
2.4.12	Provides the ability to save and “publish” ad hoc reports for use by others		

#	Requirement	Response Code	Vendor Response/Comments
2.4.13	Provides the ability to view the entire report on screen prior to choosing an output option		
2.4.14	Allows for multiple output options (e.g. display, print, email, etc.)		
2.4.15	Provides the ability to define report period (e.g., by month, from date – to date, accounting period 1 – accounting period 6, etc.)		
2.4.16	Provides the ability to define report parameters (e.g., fund, department, project, object, expense category, revenue category, etc.)		
2.4.17	Provides the ability to create report comparisons for multiple years for various parameters		
2.4.18	Provides the ability for table reports to be converted to graphs (e.g. pie, line, column, etc.)		
2.4.19	Provides the ability for a dashboard/scorecard to include, at a minimum, user defined metrics, key performance indicators (KPIs), reports, charts, etc.		

**Budgeting**

#	Requirement	Response Code	Vendor Response/Comments
2.4.20	Provides the ability to report on justification comments by budget line item		
2.4.21	Supports the ability to see budget-to-actuals in real-time with drill-down capabilities		
2.4.22	Provides modeling for “what if” scenarios and forecasting tools for future year(s) revenues and expenditures		
2.4.23	Supports the ability to define a maximum budget amount per fund, department, project, division, object, and report against the defined maximum		
2.4.24	Provides the ability to view personnel budgets in detail or rolled up by department, division, position class, project, etc.		
2.4.25	Provides modeling tools to do ‘what if’ analysis and forecasting (i.e. analysis of revenue/expenditure trends and the ability to develop forecast projections)		
2.4.26	Provides the ability to prepare the “annual budget document” via direct leveraging of system outputs/forms/reports		

#	Requirement	Response Code	Vendor Response/Comments
2.4.27	Provides the ability to through the application that prepares budget document to draft written/text information (e.g. introduction, about LACERA, analysis, etc.)		
2.4.28	Provides the ability through a real time interface between the budget application and the application that prepares the budget document to update tables, charts, etc. in the budget document as numbers are revised in the budget application		

### 3 Budgeting

#	Requirement	Response Code	Vendor Response/Comments
3.4.1	Provides an automated electronic budget process with decentralized entry, workflow, and related notifications/alerts		
3.4.2	Supports budgeting across multiple funds, departments, and projects		
3.4.3	Supports tracking budget revisions and mid-year amendments		
3.4.4	Supports future multiple year (5) budget forecasting including options for the basis for the forecast (e.g. average, percentage change, flat, etc.)		
3.4.5	Stores multiple budget versions (i.e. Department Head version vs. Executive version)		
3.4.6	Provides the ability to select one of multiple budget versions to move forward in the approval process		
3.4.7	Projects fund balance details automatically (i.e. display projected reserves, revenues, expenses and inter-fund transfers that would result in an ending fund balance)		
3.4.8	Provides the option to seed budgets zero-based, with historical data (e.g. last year's actuals) or with increasing/decreasing factors down to the object level		
3.4.9	Allows department entry of justifications, attachments, and background data related to requests; this information must stay with line item entries through budget level-up cycles		
3.4.10	Provides options for entering multiple items to a single account		
3.4.11	Supports mass changes to various accounts during budget process, such as a reorganization		
3.4.12	Offers the ability to control budget rollups at multiple levels		

#	Requirement	Response Code	Vendor Response/Comments
3.4.13	Provides the ability through security to prevent staff from using identified funds, departments, projects, and/or object categories		
3.4.14	Provides filled and vacant position budgeting processes for updating the budget to reflect changes for such things as: <ul style="list-style-type: none"> <li>• Position title and employee assigned to position</li> <li>• Maximum and minimum salary range</li> <li>• Current salary</li> <li>• Evaluation date</li> <li>• COLAs and merit increases</li> <li>• Special pay (e.g., bilingual pay, phone, or car allowance)</li> <li>• Adjustments to benefit cost</li> <li>• Other misc. personnel related rate adjustments</li> <li>• Ad hoc personnel costs (e.g. other post employment benefits (OPEB), pension-pay off, and one-time costs)</li> </ul>		
3.4.15	Offers the ability to add, delete, and/or revise positions being budgeted		
3.4.16	Provides the ability to create and revise FTE allocation to various funds, departments, divisions, projects, etc. in the organization		
3.4.17	Provides options for FTE allocations to be based on hours, percent, etc.		
3.4.18	Provides the ability to validate FTE allocation total 100% or 1 FTE		
3.4.19	Provides an ability to create one or multiple “what if”/ budget scenarios (personnel, and non-personnel) and save each scenario with the ability to select one for use		
3.4.20	Provides the ability to create, edit, and print a budget document through Microsoft Office applications, Adobe, or another application based on data in the budget module including the following: <ul style="list-style-type: none"> <li>• Supports to create, edits, and/or revise charts (e.g. bar, line, pie, etc.,)</li> <li>• Supports dynamic sizing of text, tables, and charts on a page</li> <li>• Provides free form space for narrative text.</li> <li>• Provides fields to identify and link goals to budget data.</li> </ul> Integrates or interfaces with budget application for budget data used in tables, charts, and text		

## 4 Technical

### 4.1 General

#	Requirement	Response Code	Vendor Response/Comments
4.1.1	Provides separate production, training, test, and development environments		
4.1.2	Provides the ability for multiple users to access the application (i.e. multiple users work on the same budget at the same time)		
4.1.3	Provides the ability to configure workflows, codes, report parameters, and other elements to meet specific business needs using configuration and operating parameters provided and without the assistance of the vendor		
4.1.4	Provides for upgrades to accommodate changes in applicable CA state and federal laws, regulations, best practices, and new technology		
4.1.5	Includes complete installation, operating, and system maintenance documentation		
4.1.6	Integrates with Active Directory (AD). <ul style="list-style-type: none"> <li>Real-time (new users, disabled users in AD are immediately reflected in the system)</li> <li>Can add users directly into system without corresponding AD account (for example, auditors)</li> <li>Please explain the AD integration process on the right.</li> </ul>		

### 4.2 Audit and Security

#	Requirement	Response Code	Vendor Response/Comments
4.2.1	Allows the system administrator to: <ul style="list-style-type: none"> <li>Define a minimum length password</li> <li>Define a password expiration timeframe</li> <li>Prohibit reusing of passwords</li> </ul>		
4.2.2	Allows the system administrator to: <ul style="list-style-type: none"> <li>Configure control access to the application, modules, transactions, data and reports</li> <li>Define access rights (e.g. create, read, update, delete) by user ID or functional role</li> </ul>		



#	Requirement	Response Code	Vendor Response/Comments
	<ul style="list-style-type: none"> <li>Define functional access rights (e.g. processes, screens, fields, and reports) by user ID or functional role</li> <li>Restrict access to sensitive data elements (e.g. social security numbers, banking data, etc.) by user ID, user groups or functional role</li> </ul>		
4.2.3	Maintains audit logging to record access and reporting activity: <ul style="list-style-type: none"> <li>Login/logout attempts by user and workstation</li> <li>User submitted transactions</li> <li>Initiated processes</li> <li>System overrides</li> <li>Additions, changes, or deletes to application-maintained data</li> </ul>		

### 4.3 Hosted or SaaS

#### General

#	Requirement	Response Code	Vendor Response/Comments
4.3.1	Provides system availability 24 hours a day, 365 days a year (not including Force Majeure Events or scheduled downtime). <b>Please provide your service level metric or agreement in the Response/Comments column to the right.</b>		
4.3.2	Ensures scheduled downtime is pre-approved one week in advance		
4.3.3	Provides system uptime of 99.9%. <b>Please provide your service level metric or agreement in the Response/Comments column to the right.</b>		
4.3.4	Provides hosting facility that is SSAE-16 certified. <b>Please identify the hosting facility location in the Response/Comments column to the right.</b>		
4.3.5	Supports the ability to provide SSAE-Soc I Type II reporting		

#### Data Storage

#	Requirement	Response Code	Vendor Response/Comments
4.3.6	Stores data in the Continental U.S.		

#	Requirement	Response Code	Vendor Response/Comments
4.3.7	Provides the ability for LACERA to define and execute a data purge strategy		

**Data Access and Security**

#	Requirement	Response Code	Vendor Response/Comments
4.3.8	Maintains audit logging to record access and reporting activity: <ul style="list-style-type: none"> <li>• Login/logout attempts by user and workstation</li> <li>• Initiated processes</li> <li>• System overrides</li> <li>• Additions, changes, or deletes to application-maintained data</li> </ul>		
4.3.9	Upon discovery or reasonable belief of any data breach, notifies by the fastest means available, and in writing within 24 hours. Notification should include: <ul style="list-style-type: none"> <li>• The nature of the breach (e.g. personal identifiable information)</li> <li>• The data accessed, used, or disclosed</li> <li>• The person(s) who accessed, used, disclosed, and/or received data (if known)</li> <li>• What has been done to quarantine and mitigate the breach</li> <li>• What corrective actions has been taken to prevent future breaches</li> <li>• Please provide your service level metric or agreement in the comments column to the right</li> </ul>		
4.3.10	Provides daily updates regarding findings and actions performed until the breach has been effectively resolved		
4.3.11	Provides a report containing the results of the investigation of the breach		

**Disaster Recovery**

#	Requirement	Response Code	Vendor Response/Comments
4.3.12	In the event of a disaster or catastrophic failure, notice: <ul style="list-style-type: none"> <li>• Within one hour</li> <li>• The scale and quantity of the data loss</li> </ul>		

#	Requirement	Response Code	Vendor Response/Comments
	<ul style="list-style-type: none"> <li>• What Proposer has done to recover the data and mitigate any effect of the data loss</li> <li>• What corrective action Proposer has taken to prevent future data loss</li> </ul> <p><b>Please identify your service level metric or agreement in the Response/Comments column to the right.</b></p>		

#### 4.4 Documentation

#	Requirement	Response Code	Vendor Response/Comments
4.4.1	Provide and maintain up to date system administration/operation documents including but not limited to: <ul style="list-style-type: none"> <li>• Installation manuals</li> <li>• Configuration manuals</li> <li>• Upgrade and maintenance manuals</li> <li>• Backup and restore manuals</li> </ul>		
4.4.2	Provide system technical documentation implemented for LACERA including but not limited to: <ul style="list-style-type: none"> <li>• Architecture diagrams</li> <li>• Hardware and software specifications</li> <li>• As built documentation for configuration and customizations</li> </ul>		
/”DC/	Provide application documentation including but not limited to: <ul style="list-style-type: none"> <li>• User functional guides</li> <li>• System administration technical guides</li> </ul>		
4.4.3	Provide documentation required to support the generation of custom reports and the development and maintenance of information exchanges including but not limited to: <ul style="list-style-type: none"> <li>• Database schema</li> <li>• Entity relationship diagrams</li> <li>• Data dictionary</li> </ul>		
4.4.4	Provide training materials, including but not limited to: <ul style="list-style-type: none"> <li>• Online tutorials and other seminars provided by the vendor</li> <li>• Self-help/tutorial features available in the application</li> <li>• Course materials that can be used by LACERA tutors/super-users for continuing training</li> </ul>		

#### 4.5 Interoperability / System Interface

#	Requirement	Prebuilt Interface (Yes/No)	If No, Cost to Develop Interface	Vendor Response/Comments
4.5.1	Provides an Application Program Interface (API) to enable the exchange of information (both inbound and outbound) with other business applications using a variety of protocols including but not limited to XML, delimited, ASCII, and txt files (including ODBC connectivity to Excel)			
4.5.2	Provides a configurable API such that new interfaces can be defined, or existing interfaces can be modified by an administrator without requiring the support of the software provider			
4.5.3	Provides the ability to specify the editing criteria (including both field validation and consistency edits) to be applied to inbound transactions and ensures that transactions submitted via the API are subject to the same business rules as transactions submitted via the user interface			
4.5.4	Provides the ability to specify whether outbound interface transactions should be sent immediately or stored and forwarded at a specific time or at specific intervals			
4.5.5	Provides a notification to users of transactions that fail edits and provides a way for user to view, update, delete, and automatically resubmit transactions for processing or to be returned to the originating applications			
Integration or interfaces [KR1]: Please indicate if your solution integrates or interfaces or is compatible with the software below;				
4.5.6	MS Dynamics GP 2018			
4.5.7	Certify (by Emburse) AP/Payments/Expense/Travel			
4.5.8	ECLM – Contract Management			
4.5.9	Los Angeles County eCAPs			
4.5.10	Please indicate which modern ERP systems your solution integrates or interfaces with			

**Solution Pricing Summary**

Proposer Name: **Sample Vendor**  
 Solution Name: **Sample Software**

SaaS (Yes/No):

Solution Pricing Summary	One Time	Year 1	Year 2	Year 3	Year 4	Year 5	Grand Total
Licenses and Ongoing Maintenance Costs Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hosting Costs Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services Costs Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel Costs Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Solution Cost</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Optional Products Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Optional Services Costs Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Solution Cost with Options</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Licenses and Ongoing Maintenance Costs by Software	One Time	Year 1	Year 2	Year 3	Year 4	Year 5	Grand Total
Budget	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Ongoing Maintenance Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	OK	OK	OK	OK	OK	OK	OK

Hosting Costs by Software	Year 1	Year 2	Year 3	Year 4	Year 5	Grand Total
Budget	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Hosting Costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

OK OK OK OK OK OK

Services Costs by Service	One Time
Project Management	\$ -
Configuration	\$ -
Conversion	\$ -
Interface Development	\$ -
Post - Implementation Support	\$ -
Report Development	\$ -
Testing	\$ -
Training and Documentation	\$ -
Other 1	\$ -
<b>Services Costs</b>	<b>\$ -</b>

OK

Services Costs by Software	One Time
Budget	\$ -
Other 1	\$ -
Other 2	\$ -
Other 3	\$ -
Other 4	\$ -
Other 5	\$ -
Other 6	\$ -
Other 7	\$ -
Other 8	\$ -
<b>Services Costs</b>	<b>\$ -</b>

OK

Software Proposed:

Budget
Other 1
Other 2
Other 3
Other 4
Other 5
Other 6
Other 7
Other 8

Modules Proposed:

Other 1
Other 2
Other 3
Other 4
Other 5
Other 6
Other 7
Other 8
Other 9
Other 10
Other 11
Other 12
Other 13
Other 14
Other 15
Other 16
Other 17
Other 18
Other 19
Other 20

Services Proposed:

Project Management
Configuration
Conversion
Interface Development
Post - Implementation Support
Report Development
Testing
Training and Documentation
Other 1

**APPENDIX C**

**MINIMUM QUALIFICATIONS CERTIFICATION  
(TO BE SUBMITTED ON RESPONDENT'S LETTERHEAD)**

All Respondents must sign and return this attachment, along with written evidence of how you meet each qualification. The undersigned hereby certifies that the Respondent submitting this response fulfills the minimum qualifications outlined below, as well as the requirements contained in the RFP.

**Minimum Qualifications include:**

- The Vendor shall have at least five consecutive years' experience developing and implementing Budget Application software solutions.
- The Vendor shall provide a project manager with a minimum of seven years' experience managing software implementation projects for at least 200 users.
- The Vendor shall be licensed to do business in California.

**The undersigned hereby certifies that they are an individual authorized to bind the Firm contractually, and said signature authorizes verification of this information.**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name and Title (please print)

\_\_\_\_\_  
Name of Firm

## Appendix D

### QUESTIONNAIRE

Provide the name and address of your firm along with the name, title, address, telephone, email address and fax numbers of the contact person from your firm whom LACERA may contact with questions regarding your response. This individual must be authorized to negotiate contracts regarding the scope, terms, and pricing outlined in the proposal.

1. Describe how your firm will manage the project and work with LACERA's Project Management Office. Please provide information on the following:
  - a. Project Initiation/Kick-Off
  - b. Project Management Methodology
  - c. Communication Plan
  - d. Change Management
2. What Budget Application Software Solution do you propose?
3. Describe how the Budget Application can integrate LACERA's strategic plan and goals during the budget preparation and reporting?
4. Provide a list of ERP systems that the Budget Application interfaces and integrates with.
5. Provide a summary of how the Budget Application will be implemented. Please include project planning, current/future state analysis, configuration, data migration and mapping, power-user and end-user training, testing and go-live.
6. Describe if and how the proposed solution satisfies each of the requirements outlined in Appendix A.
7. Describe how the proposed solution will be integrated with LACERA's current ERP system (Great Plains). Please include details on user interface and budget application data integration.
8. If selected as a finalist, you will have an opportunity to present proof of concept to the LACERA Evaluation Team to show how your Budget Application software solution satisfies the requirements.
9. Provide details of the training required for the different level LACERA specialists to be able to support and develop the software. Specify training that your company is able to conduct.



10. Describe duration of Support and Maintenance that your company will provide to LACERA, location of support staff and hours of operation.
11. Provide a ten-year cost of ownership table for the proposed solution. The cost should include license fees, professional service fees, maintenance fees, miscellaneous fees for each of the first ten years of ownership.
12. Provide a list of at least three (3) government, public, or private organizations for which your company has provided similar services. Provide the name of the organization, a point of contact, postal address, telephone number, and e-mail address for each reference.

13. Please describe any known or perceived conflicts in the selection process, including any contact during the process or the twelve months preceding issuance of the RFP with LACERA staff or Board Trustees, or which may result if your organization were engaged to perform the services herein requested, including any known relationships the organization or any staff has with any member of LACERA's Board of Retirement, management, staff, or the County of Los Angeles.
  
14. Please list all gifts given to members of LACERA's Board of Retirement and Staff within the twelve months immediately prior to the date of this RFP. Include the name of the person receiving the gift, and the date the gift was promised or given (the earlier of the two).

## APPENDIX E

### AGREEMENT FOR SERVICES

THIS IS THE GENERAL FORM AND CONTENT OF THE CONTRACT LACERA INTENDS TO USE. IN SUBMITTING A PROPOSAL WITHOUT COMMENT ON THE CONTRACT, THE BIDDER WILL BE DEEMED TO HAVE AGREED TO EACH CLAUSE IN THE AGREEMENT BELOW (AND TO NOT SEEK ANY MODIFICATIONS TO THE AGREEMENT), UNLESS BIDDER'S PROPOSAL IDENTIFIES AN OBJECTION OR INCLUSION, SETS FORTH THE BASIS FOR THE OBJECTION OR INCLUSION, AND PROVIDES SUBSTITUTE LANGUAGE TO MAKE THE CLAUSE ACCEPTABLE TO BIDDER.

LACERA RESERVES THE UNILATERAL RIGHT IN ITS SOLE DISCRETION TO MAKE CHANGES TO THE CONTRACT PRIOR TO EXECUTION, WHICH CHANGES WILL NOT PROVIDE BIDDER WITH AN OPPORTUNITY TO MAKE FURTHER CHANGES TO THE OTHER TERMS OF THE CONTRACT.

### CONTRACT FOR BUDGET APPLICATION SOFTWARE SOLUTION IMPLEMENTATION

This Contract for Budget Application Software Solution Implementation ("Contract") is made and entered into by and between Los Angeles County Employees Retirement Association ("LACERA") and [NAME] ("Vendor"), and is effective as of the date shown in Section 5.

#### Recitals

LACERA seeks the services of a company that offers a low code Budget Application Software Solution that seamlessly integrates with LACERA's Great Plains Financial System as well as other supporting applications listed in Appendix A.

Vendor represents that they offer the Budget Application Software Solution that LACERA seeks.

#### Contract

##### 1. Services to be Provided.

1. Vendor agrees to perform the services ("Services") described in the Statement of Work ("Statement of Work") attached to this Contract as Attachment A.

2. Vendor agrees to perform the Services at LACERA's offices, and with LACERA's consent, via telephone or email, and when appropriate, at a location of Vendor's choice.

3. All writings prepared or furnished by Vendor to LACERA in the performance of this Contract shall be the exclusive property of LACERA and may be used by LACERA, as LACERA deems appropriate.

4. Vendor's quality of service will be at least equivalent to that which Vendor provides to other clients it serves in the same capacity. Vendor will be held to the same standard of care, skill, prudence, and diligence that applies to other experts practicing in a like enterprise.

## 2. Independent Contractor.

1. Vendor agrees to perform the Services as an independent contractor and agrees they will be acting at all times as such. Neither party intends, and this Contract may not be construed, to create any relationship of agent, servant, employee, partnership, joint venture or association between Vendor and LACERA. Vendor is not, and will not be deemed to be for any purpose (including, without limitation, Workers' Compensation) an employee of Los Angeles County (the "County"). Vendor is not entitled to any rights, benefits, or privileges of County employees. Vendor is not eligible to participate in any insurance, savings, pension or deferred compensation offered by LACERA or the County.

2. Vendor has no power or authority to assume or create any obligation or responsibility, express or implied, on behalf of LACERA or the County, or to bind LACERA or the County in any way whatsoever.

3. Vendor accepts full and complete responsibility for filing all tax returns and paying all taxes, which may be required, or due for payments received from LACERA under this Contract. LACERA will memorialize payments for Vendor's services on a Form 1099.

4. Vendor represents and warrants that they comply with all applicable federal, state, and local laws, including without limitation, those laws respecting business licenses, withholding, reporting, and payment of taxes. Vendor further represents and warrants that they will report any income accruing to him from this Contract to the appropriate taxing authorities.

## 3. LACERA's Project Management Office.

LACERA's Project Management Office, composed of the PMO Head and Project Manager has responsibility for determining whether the Services are performed to LACERA's satisfaction. LACERA's PMO Head is Celso Templo and Project Manager is Cookie Jaranilla. Correspondence can be sent to the following email address [cjaranilla@lacera.com](mailto:cjaranilla@lacera.com).

## 4. Indemnification and Insurance.

4.1 Vendor shall indemnify, defend and save harmless LACERA, its agents, officers and employees from and against any and all liability, damage, suit, cost of suit, or expense, including defense costs and attorney's fees, arising out of or connected with claims for damages of any nature whatsoever arising from or connected with Vendor's operations or its services, including, without limitation, claims for bodily injury, death, personal injury, or property damage, including damage to Vendor's property.

4.2. Without limiting Vendor's obligations to indemnify LACERA, Vendor will provide and maintain at its own expense during the term of this Contract the programs of insurance programs specified in this Contract. Such insurance will be primary and not contributing with any other insurance of self-insurance programs maintained by LACERA, and Vendor agrees to provide and maintain such insurance at its own cost and expense.

4.2.1 Certificate(s) or other evidence of coverage satisfactory to LACERA shall be delivered to prior to commencing services under this Contract and annually thereafter to:

Contract Administrator  
LACERA  
300 N. Lake Avenue, Suite 650  
Pasadena, CA 91101-4199

4.3 Such certificates or other evidence shall:

4.3.1 Specifically identify this Contract.

4.3.2 Clearly evidence all coverage's required in this Contract.

4.3.3. Contain the express condition that LACERA is to be given written notice by mail at least 45 days in advance of cancellation for all policies, or, alternatively, in the event the insurers that otherwise provide satisfactory insurance hereunder do not assume third-party notification provisions, Vendor hereby agrees to notify LACERA at least 45 days in advance of any cancellation of any of the policies provided for herein.

4.3.4 Include copies of the additional insured endorsement to the commercial general liability policy, adding that LACERA, its trustees, officers and employees as insureds for all activities arising from this Contract.

4.3.5 Self-Insured Retentions must be declared to and approved by the LACERA. LACERA may require Vendor to purchase coverage with no retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention will be satisfied by the named Vendor

4.3.6 LACERA reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

4.4 Insurer Financial Ratings. Insurance is to be provided by an insurance company acceptable to LACERA with an A.M. Best rating of not less than A-, X, unless otherwise approved by LACERA.

4.5 Failure to Maintain Coverage. Vendor's failure Vendor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to LACERA, shall constitute a material breach of the contract upon which LACERA may immediately terminate

or suspend this Contract. LACERA, at its sole option, may obtain damages from Vendor resulting from said breach.

4.6 Compensation for LACERA Costs. In the event that Vendor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to LACERA, Vendor shall pay full compensation for all costs incurred by LACERA.

4.7 Cooperation Regarding Insurance. LACERA may elect to procure insurance against loss or damage it may sustain in connection with Vendor's performance under this Contract. Vendor will promptly cooperate with any reasonable request for information regarding Vendor which is required to obtain such insurance.

4.8 Survival of Obligations. Vendor's obligations under this Section 4 shall survive expiration or termination of this Contract.

4.9 Commercial General Liability. Vendor shall provide and maintain a Commercial General Liability insurance policy, which names LACERA as additional insured. Such policy shall cover legal liability for bodily injury and property damage arising out of Vendor's business operations and services that Vendor provides pursuant to this Contract. Such policy shall include, without limitation, endorsements for Property Damage, Premises-Operations, Products/Completed Operations, Contractual, and Personal/Advertising Injury with a limit of at least \$1,000,000 per occurrence and an annual aggregate of at least 2,000,000. If such insurance is written on a Claims Made Form, such insurance shall be endorsed providing an extended reporting period of not less than five (5) years following termination or expiration of this Contract.

4.10 Auto Liability. Vendor shall provide and maintain a comprehensive auto liability insurance policy endorsed for all "owned", "non-owned", and "hired" vehicles, or coverage for any "auto", with a combined single limit of not less than One Million Dollars (\$1,000,000) per accident.

4.11 Workers' Compensation. Vendor shall bear sole responsibility and liability for furnishing Workers' Compensation benefits to Vendor's employees for injuries arising from or connected with any services provided to LACERA under this Contract. Vendor shall provide and maintain a program of Workers' Compensation, in an amount and form to meet all applicable statutory requirements. In all cases, worker's compensation insurance also shall include Employer's Liability Insurance with limits of not less than \$1,000,000, each accident, and \$1,000,000, disease, covering all of Vendor's employees.

4.12 Errors and Omissions. Vendor shall provide and maintain insurance covering liability arising from any error, omission, negligent or wrongful act of the Vendor, its officers, employees or Agents, with limits of at least \$1,000,000 per claim and an annual aggregate of at least \$2,000,000. The coverage also shall provide an extended one-year reporting period commencing upon termination or cancellation of this Contract.

4.13 Cyber Liability Insurance. Without limiting any of the obligations or liabilities of Vendor, Vendor shall carry and maintain, at its own expense including any applicable deductibles or retention, Cyber Liability insurance with limits of not less than \$2,000,000 for

each occurrence and an annual aggregate of \$5,000,000 covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy coverage shall include, but not be limited to:

4.13.1 Privacy Liability Coverage. This coverage shall include LACERA and its members for breaches of their private information in the case of a data breach.

4.13.2 Notification Costs. This coverage shall cover the costs of notifying third parties and LACERA members potentially affected by a data breach.

4.13.3 Crisis Management. This coverage shall include the costs of managing the public relations outfall from most data breach scenarios.

4.13.4 Credit/Identity Monitoring. This coverage shall include coverage for affected members for at least 24 months or the minimum legally required period, whichever is longer.

4.13.5 Theft and Fraud Coverage. This coverage shall include the costs of theft or destruction of the LACERA's data and theft of funds.

4.13.6 Network and Business Interruption. This coverage shall include any expense due to an intentional interruption of the LACERA's computer systems.

4.13.7 Data Loss and Restoration. This coverage shall include the costs of diagnosing and repairing the cause of the loss and restoring all data.

## 5. Term.

The term of this Contract begins on [DATE] (the "Start Date"), and unless terminated for convenience, ends on the earlier of (i) full performance of the Services by Vendor and acceptance by LACERA or [ONE YEAR] after the Start Date. This Contract automatically renews up to four times for subsequent and successive one-year periods under the same terms, conditions and compensation, unless either party delivers its written request for changes not less than ninety (90) days prior to the end of the then current term of the Contract. Neither party is required to renew or extend this Contract.

## 6. Non-Exclusive Services.

This Contract is not exclusive. Vendor has the right to perform services for others during the term of this Contract, but Vendor agrees not to engage in any business, work or services of any kind under contract, or otherwise, for any person, organization or agency, which in the opinion of LACERA is detrimental to the interests of LACERA or that would materially interfere with the performance of the Services. Vendor agrees to disclose such information regarding business, work or services they perform on behalf of any person, organization or agency as LACERA may reasonably require verifying Vendor's compliance with this Section.

## 7. Compensation.

LACERA agrees to pay Vendor according to the Fee Schedule attached as Attachment B for performing the Services. Vendor's expenses are included in the compensation described in Attachment B and therefore Vendor is not entitled to any separate reimbursement for any expenses incurred by it in discharging its duties under this Contract, unless otherwise agreed by LACERA.

#### 8. Invoices.

Vendor agrees to submit invoices to LACERA's Project Manager, in arrears, by the tenth day of each calendar month for Services performed during the previous calendar month. Each invoice must (a) describe in detail the Services performed and expenses incurred by Vendor during the invoice period, (b) show the cumulative charges year-to-date (based on a fiscal year beginning July 1) for all Services and expenses, and (c) include such other information as LACERA may reasonably request. Each invoice will be payable within thirty days of receipt by LACERA. If LACERA's Project Manager disputes any portion of an invoice, however, LACERA will pay the undisputed portion only and notify Vendor in writing of the disputed portion. Vendor and LACERA agree to act in good faith to resolve such disputes.

#### 9. Contract Not Assignable.

Vendor may not assign any of its rights, duties, or obligations under this Contract without the prior written consent of LACERA, which LACERA may grant or withhold in its sole discretion.

#### 10. Confidentiality.

10.1 Confidential Information. Vendor understands that, during the performance of this Contract, it will have access to confidential and proprietary LACERA information, policies and procedures, benefits, business practices, and technology concerning LACERA's operations, as well as sensitive confidential member information and business critical non-member information (collectively, "Confidential Information"). For clarity, Confidential Information includes all information of any and every kind provided to Vendor, regardless of whether it may previously have been disclosed by LACERA or others in other contexts, in that LACERA needs to know to whom, when, where, and how all of its information has been disseminated and reserves to itself the right to determine to whom, when, where, and how such information is released. Confidential Information further includes all information related in any way to LACERA provided to Vendor.

Confidential Information may be provided to Vendor or generated or stored by Vendor in written, electronic, verbal, and all others forms. Vendor understands and agrees that:

10.1.1 Vendor shall not disclose Confidential Information to any person within its organization except those persons required to perform the services of the Contract.

10.1.2 Vendor shall not disclose Confidential Information to any third party without LACERA's advance written approval.

10.1.3 Vendor's agreement not to disclose Confidential Information includes an agreement not to disclose information even on a no-names basis.



10.1.4 Vendor will use best efforts, including but not limited to the highest level of care Vendor accords to its own most sensitive information and the most sensitive information of its other clients, to secure and maintain the confidential nature of the Confidential Information.

10.1.5 Vendor will not use the Confidential Information for any purpose other than to perform the services required by this Contract. This confidentiality provision will survive the termination of the Contract.

#### 11. Nondiscrimination.

Vendor hereby promises and agrees that it will comply with Subchapter VII of the Civil Rights Act of 1964, 43USC Section 2000e through 2000e (17), to the end that no person shall, on grounds of race, creed, color, sex, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract, or under any project, program or activity supported by this Contract.

Vendor shall take affirmative action to ensure that applicants and employees are treated in an unbiased manner without regard to their race, color, religion, sex, age, ancestry, or national origin, physical or mental handicap, marital status, or political affiliation. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

#### 12. Compliance with Laws.

Vendor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, and directives, and all provisions required to be included in this Contract are incorporated by this reference. Vendor shall indemnify and hold LACERA harmless from any loss, damage or liability resulting from a violation by Vendor of any such laws, rules, regulations, ordinances, and directives.

#### 13. Conflict of Interest.

No officer or employee of LACERA whose position enables him or her to influence the award of this Contract or any competing agreement, and no spouse or economic dependent of such officer or employee shall be employed in any capacity or in any way remunerated by Vendor or have any direct or indirect financial interest in this Contract or in Vendor.

#### 14. Modifications.

Any modification to this Contract must be in writing, signed by Vendor and LACERA, to be effective.

#### 15. Termination for Default.

Services performed under this Contract may be terminated in whole or in part by LACERA providing to Vendor a written Notice of Default if (1) Vendor fails to perform the

services within the time specified in this Contract or any extension approved by LACERA, or (2) Vendor fails to perform any other covenant or condition of this Contract, or (3) Vendor fails to make progress so as to endanger its performance under this Contract.

Vendor shall have ten (10) calendar days from the date of the Notice of Default in which to cure the Default(s), however, in its sole discretion, LACERA may extend this period or authorize a longer period for cure.

Without limitation of any additional rights or remedies to which it may be entitled, if LACERA terminates all or part of the services for Vendor's Default, LACERA, in its sole discretion, may procure replacement services and Vendor shall be liable for all excess costs incurred by LACERA in connection with those replacement services, as determined by LACERA in its sole discretion.

If it is determined that Vendor was not in Default under the provisions of this Contract, or that the Default was excusable, then the rights and obligations of the parties shall be the same as if the Notice of Termination had been issued under Section 16. Termination for Convenience.

#### 16. Termination for Convenience.

Services performed under this Contract may be terminated in whole or in part at any time LACERA or Vendor deems that termination is in its best interest. LACERA or Vendor shall terminate services by delivering a written Termination Notice which specifies the extent to which services are terminated and the effective termination date.

After receiving a Termination Notice under this section, and unless otherwise expressly directed by LACERA, Vendor shall take all necessary steps and shall stop services on the date and to the extent specified in the Termination Notice and shall complete services not so terminated.

#### 17 SOC-2 Type 2

SOC-2 Type 2 Report. The Vendor shall have an annual audit performed by an independent audit firm. The audits shall include the Vendor's and any subcontractor's handling of Confidential Information and shall address all areas relating to information technology security and operational processes to provide such security. The audits shall be performed in accordance with the guidance set forth in Reporting on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, or Privacy (SOC-2 Type 2), as published by the American Institute of Certified Public Accountants (AICPA) and as updated from time to time, or according to the most current audit guidance promulgated by the AICPA or similarly recognized professional organization, as agreed to in writing by LACERA. The audit shall assess the security of information technology security and operational process to provide such security as follows:

17.1 The type of audit to be performed in accordance with the Guidance is a SOC 2 Type 2 Audit (referred to as the "SOC 2 Audit" or "SOC 2 Report"). The initial SOC 2 Audit shall be scheduled and completed within six months of executing the Contract. All subsequent SOC 2 Audits that are arranged after this first audit shall be performed and submitted annually.

17.2 The SOC 2 Audit shall report in writing on the Vendor's and any subcontractor's system(s) and the suitability of the design and operating effectiveness of controls of the information functions and/or processes to meet the requirements of the Contract, including the security requirements.

17.3 The scope of the SOC 2 Report shall include work performed by any subcontractors that provide essential support to the Vendor for the information functions or processes for the services offered to LACERA under the Contract. The Vendor shall ensure the audit includes all subcontractors operating in the performance of the Contract.

17.4 All SOC 2 Audits, including those of the Vendor and any subcontractors, shall be performed at no additional expense to LACERA.

17.5 The Vendor and all relevant subcontractors shall promptly provide a complete copy of the final SOC 2 Report(s) to the Project Manager upon completion of each SOC 2 Audit engagement.

17.6 The Vendor shall provide to LACERA, within 30 calendar days of the issuance of each SOC 2 Report, a documented corrective action plan that addresses each audit finding or exception contained in a SOC 2 Report. The corrective action plan shall identify in detail the required remedial action by the Vendor or subcontractor(s) along with the implementation date(s) for each remedial action.

17.7 If the Vendor or any subcontractor fails to obtain an annual SOC 2 Report, LACERA shall have the right to retain an independent audit firm to perform an audit engagement of a SOC 2 Report. The audit will include the information functions and processes utilized or provided by the Vendor and any relevant subcontractor under the Contract. The Vendor and any subcontractor agree to allow the independent audit firm to access its facilities for purposes of conducting this audit engagement. They will provide the necessary support and cooperation to the independent audit firm that is required to perform the audit engagement of the SOC 2 Report. LACERA will invoice the Vendor for the expense of the SOC 2 Report(s) or deduct the cost from future payments to the Vendor.

## 18. Disaster Recovery & Business Continuity

Vendor will implement and maintain disaster recovery and business continuity procedures that are reasonably designed to recover data processing systems, data communications facilities, information, data and other business-related functions of LACERA in a manner and time frame consistent with legal, regulatory and business requirements applicable to LACERA.

## 19. Data Breach Verification

19.1 Vendor shall provide an annual written, signed attestation that to the best of its knowledge, no data breach, hacking, or incidental divulging of Member Records has occurred and that no Member Record has been compromised. The attestation shall verify that adequate internal policies and procedures exist to prevent data theft and unauthorized access.

19.2 Vendor shall provide an annual system penetration test in support of the attestation made in item A above. Vendor shall provide the results of penetration tests to LACERA.

19.3 Vendor shall comply with California Civil Code § 1798.29(e) and California Civ. Code § 1798.82(f). In the event of a security breach of more than 500 records, the Vendor shall electronically submit a single sample copy of that security breach notification, excluding any personally identifiable information, to the Attorney General.

19.4 Vendor shall notify any California resident whose unencrypted personal information, as defined, was acquired, or reasonably believed to have been acquired, by an unauthorized person as required by California Civil Code §1798.29(a) and California Civ. Code §1798.82(a).

19.5 Notwithstanding the legal notification requirements in the preceding paragraphs, Vendor will immediately notify LACERA upon its discovery of any incident or data breach.

## 20. Entire Contract and Severability.

This document (including Attachments A and B) constitutes the final, complete, and exclusive statement of the terms of the Contract between LACERA and Vendor for the services to be performed and supersedes all prior and contemporaneous understandings or Contracts of the parties. The provisions of this Contract are severable, and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions or parts thereof shall nevertheless be binding and enforceable and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal and enforceable provision which comes closest to the intent of the parties.

## 21. Governing Law and Venue.

21.1 This Contract shall be governed by, and construed and enforced in accordance with, the laws of the State of California without regard to principles of conflicts of laws.

21.2 Any party bringing a legal action or proceeding against any other party arising out of or relating to this Contract or the transactions it contemplates (whether in contract, tort, equity, or otherwise), shall bring the legal action or proceeding in either the United States District Court or in any court of the State of California sitting in Los Angeles County.

21.3 Each party to this Contract consents to the exclusive personal and subject matter jurisdiction of any United States District Court sitting in the County of Los Angeles and any court of the State of California sitting in the County of Los Angeles, and their appellate courts for the purpose of all legal actions and proceedings arising out of or relating to this Contract or the transactions it contemplates, including all claims of any nature or type, whether in contract, tort, statutory, equitable, legal, or otherwise.

## 22. Attorney's Fees.

In the event of litigation between the parties concerning this Contract, the prevailing party shall be entitled to recover reasonable costs and expenses incurred therein, including without limitation attorney's fees. These expenses shall be in addition to any other relief to

which the prevailing party may be entitled and shall be included in and as part of the judgment or decision rendered in such proceeding.

23. Interpretation.

Vendor acknowledges they have been given the opportunity to have counsel of their own choosing to participate fully and equally in the review and negotiation of this Contract. The language in all parts of this Contract shall be construed in all cases according to its fair meaning, and not strictly for or against any party hereto. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Contract.

24. Waiver.

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, or preceding or subsequent, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

*Remainder of Page Intentionally Left Blank*

Page Break IN WITNESS WHEREOF, Vendor has signed this Contract, and the [SIGNATORY TITLE] of LACERA has signed this Contract, effective as of the date indicated in Section 5.

LACERA: [Vendor Name]:

Los Angeles County Employees  
Retirement Association

By: \_\_\_\_\_  
[TITLE] [Authorized Signatory Title]

Address for notices: Address for notices:

[NAME]  
LACERA  
300 N. Lake Avenue, Suite [XXX]  
Pasadena, CA 91101

Approved as to form:

---

John Harrington  
LACERA Staff Counsel

## Appendix F

### Intent to Respond

Intent to Respond.

If you choose to respond to this RFP, please send this form to [cjaranilla@lacera.com](mailto:cjaranilla@lacera.com) via email no later than 5:00 p.m. PDT, **April 14, 2022**. Failure to send your Intent to Respond may disqualify your firm from submitting a proposal.

LACERA's responses to written requests for clarification or other information will be provided to all Respondents that have submitted an Intent to Respond.

<b>To:</b>	Cookie Jaranilla	<b>From:</b>	
<b>Co.:</b>	LACERA – Systems Division	<b>Title:</b>	
<b>Phone:</b>	626-564-2329	<b>Co.:</b>	
<b>Email:</b>	<a href="mailto:cjaranilla@lacera.com">cjaranilla@lacera.com</a>	<b>Phone:</b>	
<b>Re:</b>	Intent to Respond	<b>Email:</b>	
		<b>Date:</b>	

Our firm intends to submit a response for LACERA's RFP for

[Services Requested]. Please send inquiries to the following contact:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

Email Address: \_\_\_\_\_

## **Appendix G**

### **IT SECURITY CONTROLS**

If selected through this RFP process respondent shall provide an initial Security Controls Report in the form attached hereto prior to executing an agreement with LACERA. All subsequent Security Controls Reports that are required after this first report shall be performed and submitted annually. The questionnaires are to focus on security as it applies to the technologies impacting services provided in relation to the scope of work. If a control is found to be inadequate, respondent will develop a remediation plan within 30 days. Respondent will implement the plan and inform LACERA of the change within a mutually agreed upon and reasonable time.

The Security Controls Reports shall report in writing on the respondent's system(s) and the suitability of the design and operating effectiveness of controls, information functions, and/or processes applicable to the environment in which the respondent receives and maintains LACERA records, including the security requirements.

Respondent shall provide to LACERA, within 30 calendar days of the issuance of each Security Controls Report, a documented corrective action plan that addresses each audit finding or exception contained therein. The corrective action plan shall show in detail the required remedial action by respondent along with the implementation date(s) for each remedial action.

If respondent does not obtain an annual Security Controls Report, LACERA shall have the right to retain an independent audit firm to perform such an audit engagement for such a report. The audit will include the controls, information functions, and processes used or provided by respondent. Respondent agrees to allow the independent audit firm to access its facilities for purposes of conducting this audit engagement. They will provide the necessary support and cooperation to the independent audit firm.

The independent audit firm will be engaged by LACERA's legal department and subject to the same confidentiality requirements supported in this agreement, and any disclosure will be on a need-to-know basis only for the purpose of the Security Controls Report. LACERA will invoice respondent for the expense of the report(s) or deduct the cost from future payments to the respondent.



# IT Security Controls - LACERA Environment

Control Section	Control Name	Control Description	Control Validation Test/ Review Performed	Control Validation Results
<b>Access Control</b>	Access control policy	An access control policy shall be established, documented, and reviewed based on business and information security requirements.		
	Access to networks and network services	Users shall only be provided with access to the network and network services that they have been specifically authorized to use.		
	User registration and de-registration	A formal user registration and de-registration process shall be implemented to enable assignment of access rights.		
	User access provisioning	A formal user access provisioning process shall be implemented to assign or revoke access rights for all user types to all systems and services.		
	Review of user access rights	Asset owners shall review users' access rights at regular intervals.		
	Removal or adjustment of access rights	The access rights of all employees and external party users to information and information processing facilities shall be removed upon termination of their employment, contract, or agreement, or adjusted upon change.		
	Use of password information	Users shall be required to follow consultant's practices in the use of password information.		
	Secure log-on procedures	Where required by the access control policy, access to systems and applications shall be controlled by a secure log-on procedure.		
	Password management	Password management systems shall be interactive and shall ensure quality passwords.		
<b>Physical and Environmental Security</b>	Physical security perimeter	Security perimeters shall be defined and used to protect areas that contain either sensitive, critical information or information processing facilities.		
	Physical entry controls	Secure areas shall be protected by appropriate entry controls to ensure that only authorized personnel are allowed access.		
	Protecting against external and environmental threats	Physical protection against natural disasters, malicious attacks, or accidents shall be designed and applied.		

	Supporting utilities	Equipment shall be protected from power failures and other disruptions caused by failures in supporting utilities.		
	Equipment maintenance	Equipment shall be correctly maintained to ensure its continued availability and integrity.		
<b>Network Security Management</b>	Network controls	Networks shall be managed and controlled to protect information in systems and applications.		
	Security of network services	Security mechanisms, service levels, and management requirements of all network services shall be identified and included in network services agreements, whether these services are provided in-house or outsourced.		
	Information transfer policies and procedures	Formal transfer policies, procedures, and controls shall be in place to protect the transfer of information using all types of communication facilities.		
<b>Operational</b>	Documented operating procedures	Operating procedures shall be documented and made available to all users who need them.		
	Change management	Changes to consultant, business processes, information processing facilities and systems that affect information security shall be controlled.		
	Capacity management	The use of resources shall be monitored and tuned, and projections made of future capacity requirements to ensure the required system performance.		
	Controls against malware	Detection, prevention, and recovery controls to protect against malware shall be implemented, combined with appropriate user awareness.		
	Information backup	Backup copies of information, software, and system images shall be taken and tested regularly in accordance with an agreed backup policy.		
	Event logging	Event logs recording user activities, exceptions, faults, and information security events shall be produced, kept, and regularly reviewed.		
	Protection of log information	Logging facilities and log information shall be protected against tampering and unauthorized access.		
	Clock Synchronization	The clocks of all relevant information processing systems within an organization or security domain shall be synchronized to a single reference time source.		

	Management of technical vulnerabilities	Information about technical vulnerabilities of information systems being used shall be obtained in a timely fashion, consultant's exposure to such vulnerabilities evaluated and appropriate measures taken to address the associated risk.		
<b>Information Security Incident Management</b>	Responsibilities and procedures	Management responsibilities and procedures shall be established to ensure a quick, effective, and orderly response to information security incidents.		
	Reporting information security events	Information security events shall be reported through appropriate channels as quickly as possible.		
	Reporting information security weaknesses	Employees and contractors using consultant's information systems and services shall be required to note and report any observed or suspected information security weaknesses in systems or services.		
	Response to information security incidents	Information security incidents shall be responded to in accordance with the documented procedures.		
	Learning from information security incidents	Knowledge gained from analyzing and resolving information security incidents shall be used to reduce the likelihood or impact of future incidents.		

February 16, 2022

TO: Operations Oversight Committee  
Alan Bernstein, Chair  
Herman B. Santos, Vice Chair  
Keith Knox  
Antonio Sanchez  
JP Harris, Alternate

FROM: Kathy Delino   
Interim Chief Information Technology Officer  
  
Roberta Van Nortrick   
Acting Division Manager, Administrative Services

FOR: March 2, 2022, Operations Oversight Committee Meeting

SUBJECT: **Request for Proposal: Enterprise Contract Lifecycle Management System**

## **RECOMMENDATION**

That the Operations Oversight Committee authorize staff to issue a Request for Proposal (RFP) for software and consulting services to procure, configure, customize, and implement an Enterprise Contract Lifecycle Management (ECLM) System.

## **EXECUTIVE SUMMARY**

LACERA currently maintains an on-premises contract repository that integrates with our enterprise general ledger system and includes essential contract management functions such as contract expirations. While the current system has served as a single source of truth for executed contracts for many years, it does not support the entire lifecycle of the contracting process. As a result, many of the steps to develop a contract are manual and most approvals are obtained through email. LACERA would like to procure an enterprise solution that would not only serve as the contract repository but would also support the process of developing a contract, include robust management functions, and include advanced audit and reporting capabilities. LACERA would also like to procure professional services to implement the solution and migrate our legacy contracts to the new platform. Funding for this project is included in the Fiscal Year 2021-22 budget approved by the Board of Retirement (BOR).

## **ENTERPRISE CONTRACT LIFECYCLE MANAGEMENT (ECLM) SOLUTION REQUIREMENTS**

LACERA envisions an ECLM solution that will serve as a central contract repository, facilitate contract development and maintenance via automated workflows, provide enterprise-wide reporting, and fully integrate with existing technology solutions. Each of these requirements is discussed below.

### Central Repository

First and foremost, LACERA seeks a product that offers a central repository for tracking active, amended, and historical contracts as well as associated attachments, documents, and schedules. This repository should support the following capabilities:

- Document version control and comparison
- Full-text and keyword search
- Search by a wide range of variables, such as vendor, contract status, etc.
- Ability to group and filter search results, as well as save searches for future use
- Ability to ingest scanned, paper documents
- Ability to import electronic files in various formats, such as .doc, .pdf, etc.
- Ability to migrate legacy contracts and attachments
- Ability to establish links between contracts and documents related to those contracts, such as amendments, and insurance certificates

### Automated Workflows for Contract Development and Maintenance

In addition to a central repository, LACERA seeks a product that will streamline the development and maintenance of contracts through automated workflows. The processes that require automation are Contract Negotiation and Authoring, Contract Approval and Execution, as well as Contract Maintenance and Compliance. The automated workflows should include the following features:

- Library of templates and forms (including “wizards” based on contract type)
- Audit trail of all contract activity
- Progress tracking
- Reminders, alerts, and notifications to participants in the application and by email
- Role based access and security
- Ability to share and edit content (with tracked changes)
- Configurable workflow to send, receive, approve, reject and file contracts
- Support for electronic and wet-ink signatures
- Ability to identify budgeted amounts for each contract
- Vendor/contract payment inquiry capability
- Ability to monitor payments made to each contract to ensure compliance with the contract/fee schedule
- Threshold alerts when contract budget limits have been reached and early warning alerts
- Ability to comment privately with internal stakeholders as well as collaborate with external stakeholders

Reporting Capabilities

With the increased automation and the ability to capture more granular data, LACERA seeks to provide visibility into all contractual relationships across the organization. The selected solution should provide the following reporting capabilities:

- Dashboards – canned, customized, and role-based
- Standard reports for the drafting and negotiation of contracts
- Standard reports on contract progress, risk assessments, compliance rates, and execution milestones
- Ability to generate custom reports

Integration with LACERA's Existing Technology Applications

Lastly, LACERA is looking for a product that can provide seamless integration with the following third-party applications:

- Microsoft Office
- Azure Infrastructure Active Directory Services
- Adobe Sign
- Microsoft Dynamics Great Plains
- Microsoft Power BI
- Leading Enterprise Resource Planning (ERP) Solutions
- Smartsheet

**PROPOSED RFP TIMELINE**

The proposed timeline for the RFP process:

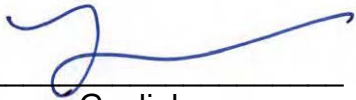
RFP Event	Date
Release of RFP	03/05/2022
Written questions and additional clarification are due	03/19/2022
Responses to written questions are posted	03/21/2022
Proposals due	04/04/2022
Vendor Demonstrations (start date)	04/21/2022
Vendor selection and notification	05/04/2022

**CONCLUSION AND RECOMMENDATION**

LACERA seeks to streamline our contract development process as well as automate the management of executed contracts and increase contract transparency with an Enterprise Contract Lifecycle Management System that would benefit all fifteen divisions at LACERA.

**IT IS THEREFORE RECOMMENDED THAT THE OPERATIONS OVERSIGHT COMMITTEE** authorize staff to issue a Request for Proposal for software and consulting services to procure, configure, customize, and implement an Enterprise Contract Lifecycle Management (ECLM) System.

Reviewed and approved.



---

Laura Guglielmo  
Assistant Executive Officer

c: Santos Kreimann  
Luis Lugo  
JJ Popowich  
Bob Schlotfelt  
Summy Voong  
Celso Templo  
Michael Dozier  
James Beasley  
John Harrington

March 1<sup>st</sup>, 2022

# LACERA

## REQUEST FOR PROPOSAL

Enterprise Contract Lifecycle  
Management Software Solution

Celso Templo

Michael Dozier

LACERA

Systems Project Management Office

300 NORTH LAKE AVENUE, SUITE 750

PASADENA, CA 91101



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**LOS ANGELES COUNTY EMPLOYEES RETIREMENT  
ASSOCIATION REQUEST FOR PROPOSAL (RFP)  
ENTERPRISE CONTRACT LIFECYCLE  
MANAGEMENT SOFTWARE SOLUTION  
January 5, 2022**

**1. INTRODUCTION**

**A. Purpose of Request**

The Los Angeles County Employees Retirement Association (LACERA), a \$70 billion public pension fund, is seeking proposals from qualified companies to provide an Enterprise Contract Lifecycle Management Software Solution. LACERA invites qualified companies to respond to this RFP (Respondent).

**B. Background Information**

LACERA is a tax-qualified defined benefit public pension fund established to administer retirement, disability, and death benefits for the employees of the County of Los Angeles and other participating agencies pursuant to the County Employees Retirement Law of 1937 (CERL) (California Government Code Section 31450, et seq.), the California Public Employees' Pension Reform Act of 2013 (PEPRA) (California Government Code Section 7522, et seq.), LACERA's Bylaws and Board Policies, and other applicable California law. LACERA also administers the County's medical and dental retiree health benefits program.

LACERA operates as an independent governmental entity separate and distinct from Los Angeles County and the other participating agencies. LACERA has approximately 186,300 members and payees, including 100,000 active members, 16,600 deferred and inactive members that are eligible for future retirement benefits, 60,200 retired members, and 9,500 survivors. About 56,000 retired members and survivors take part in the medical and dental retiree healthcare programs. In addition to benefits administration, the fund invests in assets to support payment of the promised pension benefits as well as additional sums to support the retiree healthcare program.

The Respondent(s) selected through this RFP process will be recommended to LACERA's Board of Retirement (BOR) for final selection and approval. The BOR has responsibility over administration of pension and healthcare benefits and other fund administrative issues. The BOR comprises four Trustees elected by the general, safety, and retired members, four Trustees appointed by the County's Board of Supervisors, and the sitting County Treasurer and Tax Collector as an ex officio Trustee. The BOR also has two alternate Trustees, one elected by safety members, and one elected by retired members.

The Boards and their Trustees have fiduciary duties as defined in Article XVI, Section 17 of the California Constitution and CERL, with duties owed to the plan members and

their beneficiaries taking precedence over any other duties.

LACERA is inviting vendors to submit proposals to implement an Enterprise Contract Lifecycle Management Software Solution that seamlessly integrates with LACERA's ERP System.

## **2. MINIMUM REQUIREMENTS**

### **A. Project Overview**

LACERA is seeking to purchase and implement a software product to improve processes in the creation, drafting, sharing, editing, executing, storing, and managing of all its existing and future service contracts. The ideal solution will facilitate the complete contract lifecycle management. The Enterprise Contract Lifecycle Management Software will be implemented across fifteen LACERA divisions and will support 100 to 200 users.

### **B. Minimum Qualifications**

All respondents must clearly show and document in the proposal the following minimum qualifications:

- Prospective Vendor should have a minimum of five years recent experience developing and implementing Enterprise Contract Lifecycle Management software solutions, including Project Management.
- Prospective Vendor should provide a project manager with a minimum of seven years' experience managing enterprise software implementation for at least 200 users.
- Prospective Vendor should be licensed to do business in California.

### **C. Scope of Work**

The proposed Contract Lifecycle Management Software solution should address or include the following key items:

#### **1. Contract Negotiations and Authoring**

Compare versions of the contract and note discrepancies to reduce negotiation time. Online collaborative editing, with comprehensive track changes is essential to eliminate the back-and-forth submission of Word/PDF docs. Authoring environment that is seamlessly integrated with the contract repository, accelerates the contract creation process, enhances the control over its progress, and improves collaboration between stakeholders.

- Library of templates and forms (including "wizards" based on contract type)
- Audit trail of all transactions
- Tracking of progress
- Automated workflow routing with email alerts
- Reminders and notifications to participants
- Role based access and security

- Interface/integration with existing databases and programs (Office365, Adobe Sign)
- External sharing and editing (with track changes) for contract negotiations
- Commenting capability for private comments vs. shared external comments
- Contract version control

## 2. Contract Approval and Executing

Automatic contract routing to relevant parties for review, approval, and execution, including digital signature. Transparency and quick electronic approval process are essential.

- Routing and approval workflow through various approval authorities
- Reminders and notifications to participants
- Submitting comments upon approval or rejection of a contract
- Electronic (Adobe Sign) or wet-ink signatures
- Automatic send, receive, track, and file executed contracts
- Sending for signing to external counterparties
- Report on approval/signing actions

## 3. Contract Repository

A central repository for tracking active, amended, and historical contracts as well as associated attachments, documents, and schedules.

- Web/Cloud based, Software as a Service (SaaS)
- Centralized, secure, single-access storage for contracts and related documents.
- Size limitations (and effect on functionality)
- Full-text and keyword search of contracts, attachments, insurance requirements, etc.
- Search by wide range of variables (e.g., vendors, deliverables, milestone dates, etc.).
- Ability to group and filter search results, as well as save search for future use.
- Ability to manage scanned documents as well as native files in any format, including all versions of .doc, .pdf, .ppt, and .xls file types, common image formats.
- Establish links between contracts and related documents, such as contracts and amendments, contracts, and insurance certificates, etc.
- Capable of migrating legacy contracts and attachments

#### 4. Contract Management and Compliance

Contract progress monitoring for all contracted milestones and service delivery. An integrated system that applies business rules to manage contracts should enable Staff to access, analyze, and act on contract-related information efficiently and consistently.

- Alerts, escalations, workflow triggers, based on contract milestones (volume thresholds, payment schedules, expiration dates, due diligence dates, renewal notifications, etc.)
- Reporting on Statement of Work task assignments and completion
- Support for contract financial processes
  - Contract budget monitoring/tracking through integration capability with other systems (i.e., Dynamics GP)
    - Ability to identify budgeted amounts for each contract
    - Ability to monitor payments made to each contract to ensure compliance with the contract/fee schedule.
    - Threshold alerts when contract budget limits have been reached and early warning alerts.
  - Vendor/contract payment inquiry capability
  - Ongoing Vendor Due Diligence
    - Vendor Performance Review
- Obligation capture, compliance tracking, reporting

#### 5. Audit and Reporting

Provide visibility into all contractual relationships across LACERA, with a complete audit trail for every contract. Comprehensive reporting capabilities enable performance assessment and risk analysis while delivering role-based dashboard views tailored for the Contract Administrators, Division Managers, Executive Management, and the Purchasing Agent.

- Dashboards; canned reports; customizable reports (role based); distribution
- Generating reports regarding drafting and negotiation of contracts
- Generating reports on contract progress, risk assessments, compliance rates, and execution milestones
- Generating reports on budgets and board approvals across vendors and projects
- Role-based dashboard views tailored for the Contract Unit, contract administrators, managers, executives, and other stakeholders
- Automated audit trail, including all messages and negotiated document versions
- Ability to create ad hoc reports including individual and group contract reports

#### 6. Security

Provide adequate security and user authentication. It should also allow only authorized users to access the information that is relevant to them.

- Online authentication via a secure login screen
- Encryption on the uploaded files and documents

- Ability to enforce Multi Factor Authentication (MFA)
- Secure web-based access to the contract management environment
- Role-based access to view/update information
- Contracts and related information access restricted to authorized personnel
- Ability to audit status, access, and usage of system resources
- Utilizing software security best practices
- Meet LACERA's internal user access security policy

## 7. Integration with external services

Ability to integrate with third-party applications.

- Microsoft Office tools (Word, Excel, Access, PowerPoint, and Visio)
- Azure Active Directory Services
- Procurement to Payment Solutions
- Adobe Sign
- Microsoft Dynamics Great Plains
- Microsoft Power BI
- Leading ERP Solutions
- SmartSheet

## 8. Training and Support

- Contract migration support
- Training: web; in-person; materials; ongoing; online manual
- Helpdesk support (24/7)
- Implementation planning and support

Other desirable features of the proposed Contract Lifecycle Management Software solution to include:

### 9. Intent to Contract Approval

Related to contract development, a system that would allow a user to initiate the contract, check for available budget and board approvals, and provide the required information for cross reference and validation before proceeding to the solicitation stage.

- *Services/Goods Description* - The project description explains the reason the project is being proposed and the expected benefit to LACERA
- *Services/Goods Goals* - A goal is defined as broad in scope, highlighting general intentions, with intangible results, and is measurable. The needs assessment should include a description about each goal that supports the organization's needs.
- *Strategic Alignment with LACERA's Mission/ Strategic Plan* - Every project that LACERA enters, should align with the organization's mission. Describe how the proposed project furthers LACERA's mission and how it fits within any applicable strategic priorities or approved plans.
- *Justification for Services/Goods* - Justification is needed as to why the Services/Goods should be implemented. Justification should explain the impact of not entering into a contract for the project.
- *Cost Comparison* - The cost comparison must document the analysis of the cost of performing the Services in-house vs. outsourcing.
- *Forecasting Project Budget and Funding Sources* - An estimated budget that includes the life cycle of the contract. If an estimated budget is not available, a detailed explanation must be provided.

- *Additional Resources Needed for Project* - If additional resources are needed to properly administer the Services, they must be documented in the needs assessment. These resources may include equipment, staff, technology, etc.
- Budget Validation
  - Board Approval Validation
- Routing of contract initiation request through Procurement

### 3. **RFP PROCESS**

Proposals must be received by LACERA no later than 5:00 PM(PST) on JAN 19, 2022. See section E below for further submission instructions. Proposals received after the deadline will be marked “LATE” and may receive no further consideration

#### **A. RFP Calendar**

<b>Item</b>	<b>Date</b>
Release of RFP	03/05/2022
Written questions and additional clarification are due	03/19/2022
Responses to written questions are posted	03/21/2022
Proposals due	04/04/2022
Software Demonstration (start date)	04/21/2022
Vendor selection and notification	05/04/2022

#### **B. RFP Questions and Communication**

Except for communications expressly permitted by this RFP, communications by the respondents with LACERA Staff, LACERA Members, or its Boards regarding this RFP are strictly prohibited from the date of this RFP through the date LACERA completes or terminates the RFP process, as publicly disclosed by LACERA. Vendors violating the communications prohibition may be disqualified at LACERA’s discretion.

Respondents are strongly encouraged to communicate any questions regarding this RFP. Questions should be sent in writing via email to Michael Dozier at [eclmRFP@lacera.com](mailto:eclmRFP@lacera.com).

All questions received by the due date will be compiled and disseminated to all responding participants at least 3 days before RFP submissions are due. Questions and answers will be posted at lacera.com in the “RFPs” page.



### **C. Errors in the RFP**

If you discover an ambiguity, conflict, discrepancy, omission, or other error in the RFP, immediately notify Michael Dozier. Required modifications or clarifications of the RFP will be made by addenda to the RFP. The clarification will not identify the source of the request.

If a respondent fails to notify LACERA of a known error in the RFP (or one that the respondent reasonably should have known) prior to submission of their proposal, the respondent submits their proposal at their own risk. If awarded a contract under these circumstances, the successful respondent will not be entitled to additional compensation or time due to the error or its later correction.

### **D. Addenda**

LACERA may modify the RFP, prior to the RFP due date, by issuance of an addendum. It will be the responsibility of the respondents to check the internet for addenda to the RFP. The RFP and any addenda can be found at [lacera.com](http://lacera.com) in the "RFPs" page.

### **E. Intent to Respond**

If your company chooses to respond to this RFP, please send the Intent to Respond, **Exhibit A**, via email to [eclmRFP@lacera.com](mailto:eclmRFP@lacera.com) by 5:00 p.m. PST, **Mar. 19, 2022**. Failure to send your Intent to Respond may disqualify your company from submitting a response to this RFP.

### **F. Delivery of Submissions**

Submissions (no marketing materials) must be delivered in PDF or Microsoft Word format via email by the RFP due date. Upon submission of a proposal to LACERA, it is deemed that the respondent understands and agrees that such submission of a proposal constitutes acknowledgment and acceptance of, and a willingness to comply with, all of the terms and conditions contained in this RFP.

Submissions must be sent to:

**Celso Templo Jr.**

**Head of PMO**

E-mail: [eclmRFP@lacera.com](mailto:eclmRFP@lacera.com)

To the extent applicable, submissions should also include an electronic copy marked "REDACTED". The redacted copy should exclude all material from the proposal that the respondent believes in good faith is exempt from disclosure under the California Public Records Act, (California Government Code section 6250 et seq. the "Act"). Individual redactions should appear as blacked-out material. Large sections, tables, or entire blank page(s) shall include the word "REDACTED" or "PROPRIETARY" inserted. Each respondent must indicate the basis for each redaction under the Act (defined below) with a citation to the code section and subsection relied upon. Please see Section 5 below "Notice to Respondents Regarding the Public Records Act AND RALPH M. BROWN ACT" for further information, including but not limited to LACERA's right to determine, in its sole discretion, whether any information in the response, regardless of how labeled, is subject to public production.

### **G. Quiet Period**

To ensure that prospective Respondents to this RFP have equal access to information about the RFP and communications related to the RFP are consistent and accurate so that the selection process is efficient and fair, a quiet period will be in effect from the date of issuance of this RFP until the selection of one or more respondents is completed and announced.

This RFP and other relevant information related to the RFP, including addenda, modifications, answers to questions, and other updates, will be available to the public at [lacera.com](http://lacera.com). Each respondent to this RFP will be subject to the same terms and conditions and will receive the same information.

During the quiet period, respondents are not allowed to communicate with any LACERA staff member or Board Trustees regarding this RFP except through the point of contact named herein. Respondents violating the quiet period may be disqualified at LACERA's discretion.

Respondents who have existing relationships with LACERA must limit their communications between LACERA staff and Board Trustees to the subject of the existing services provided by them.

## H. Evaluation Criteria

Each submission will be evaluated as follows:

Sections	%
Qualifications and Experience	5
Functional and Technical Requirements	50
Fee Proposal	30
Training and Support Category	10
References	5
<b>Total</b>	<b>100%</b>

Other considerations for evaluating responses may include:

- Compliance with RFP instructions and format.
- Clarity and completeness of RFP responses.

## I. Secondary Quotes

The specifications outlined in this RFP are designed to provide a general framework of the minimum requirements but are not intended to limit the freedom of the respondent to submit alternative proposals that in their judgment, would be beneficial and cost-effective for LACERA. The secondary quote is not a substitute for the primary quote, which must be submitted in accordance with the instructions provided in this RFP. However, the alternate proposal does not have to follow the formatting requirements described in the next section.

## J. Selection Process

Proposals received by the deadline will be screened by LACERA staff. The proposals will be narrowed to a number of semi-finalists that may be invited to conduct a software demonstration to the selection team and Executive Management. The software demonstration will be based on each group from the technical requirements. Following any software demonstration(s), independent checking of references and other information which may be available to LACERA; the semifinalists will be screened further to a final selection. LACERA may choose to do a “first cut” in which finalists are chosen to participate in a final evaluation. The final evaluation may include among other things a “best and final offer” by each finalist.

Selection of the contract lifecycle management solution vendor will be made solely by LACERA on criteria determined by LACERA and may not be solely based on the lowest price. Each proposal will be evaluated by a committee who will determine which software best meets the requirements of LACERA and who would provide the best value to LACERA.

## **4. PROPOSAL REQUIREMENTS**

All proposals made in response to this RFP must remain open and in effect for a period of not less than 180 days after the submission deadline. Responses to this RFP may be changed or withdrawn in writing if modifications are received prior to the submission deadline. Modification to or withdrawal of a proposal received after the submission deadline will not be considered. Responses received after the specified deadline may be considered for evaluation solely at the discretion of LACERA. In addition, LACERA reserves the right to request more information or clarifications from respondents, or to allow corrections of errors or omissions.

All responses to this RFP should follow the outline of the RFP requirements and should fully respond to each section as appropriate and to all questions in this section of the RFP. Proposals shall be organized with the corresponding numbering of this RFP, include a Table of Contents, and Fee Schedule. Proposals not following these instructions or not including complete information as requested may result in a lower evaluation score or the proposal being declared non-responsive. For each part of the response, restate the RFP item immediately above the response. Pages in the proposal shall be numbered. When asked, please provide details and state all qualifications or exceptions. All information supplied should be concise and relevant to qualifications.

Submittals shall be at least 10-point font, but no larger than 12-point font limited to 25 pages, including Exhibits. Submittals shall address all RFP sections in the same order presented and be responsive to each section. Optional material such as brochures or company information may be included as an attachment but will not be counted as responsive to this RFP and will not be used in scoring.

### **A. Cover Letter**

1. The cover letter (one-page) should identify the Legal business name, address, telephone number, and e-mail address.
2. Include the proposed services, your company's competitive advantage, and reasons why your company should be selected.
3. Clearly state if there are any exceptions to, or deviations from, the minimum proposal requirements, and any exceptions to the terms and conditions of this RFP. Such exceptions or deviations will be considered in evaluating the proposals. Respondents are cautioned that exceptions taken to this RFP may cause their proposal to be rejected.

4. Shall be signed by the individual(s) who is (are) authorized to represent the Company in negotiations with LACERA with respect to the RFP and the subsequently awarded contract.

**B. Table of Contents:** Table of Contents should list the sections included in the Proposal.

**C. Responses to Questions:** Provide responses to the following questions:

1. Company Overview:

Provide an overview of your company including, but not necessarily limited to:

- a) A brief history of your company. Include in your response the year the company was formed and began providing Contract Management Software services.
- b) Whether the company is local, national, or international.
- c) Number of employees.
- d) Number of years the company has been in business under the present name, as well as related prior business names.
- e) Describe the structure and ownership of your company. State whether the company is an individual proprietorship, partnership, limited liability company, corporation, or joint venture.
- f) State all financial interests in other lines of business and/or entities related to service to be provided.
- g) Description of the scope of services the company provides. What are the company's specialties, strengths, and limitations? What distinguishes your company from your competitors?
- h) The name, title, experience, and qualifications of the officers, directors, and owners (if involved in management) of your company.
- i) List and describe any professional relationship your company or any of your staff may have with any member of the LACERA Board of Retirement, LACERA staff, LACERA legal counsel, or LACERA Plan Sponsors. Describe in detail any potential conflicts of interest your company might have with respect to a LACERA account.

*For the following set of questions please provide a description or an explanation to*

*your response. A “Yes/No” only response to the question may have an impact on the overall score.*

2. Intent to Contract

- a) Does the application allow for contract initiation? An authorization workflow to start a new contract?
- b) Does the application allow routing of contract initiation requests and approval?
- c) Does the application have the ability to check for available budget and Executive and Board approvals?
- d) Does the application allow for validation before proceeding to the authoring stage?
- e) Does the application have the ability to create a workflow for the entire contracting process?

3. RFP Development and Management

- a) Does the application allow for RFP/RFQ/RFI development?
- b) Does the application have built-in workflows for review and approvals of RFPs?
- c) Can the application manage and track RFP Proposals?
- d) Does the application have the ability to receive and store RFPs from the vendors?
- e) Does the application have a proposal scoring module?

4. Contract Negotiation and Authoring

- a) Does the application have the ability to manage contract negotiations?
- b) Is there a feature that monitors the progress of the negotiation process?
- c) Can the application perform track changes in the system eliminating the back-and-forth submission between LACERA and the vendor?
- d) Is there a way to send reminders and notifications to participants?
- e) Can the application record amendments to the contract?
- f) Does the application Authoring environment that is seamlessly integrated with the contract repository?
- g) Does the application have methods to track progress?
- h) Does the application provide the ability to compare contract iterations side-by-side?
- i) Does the application have the ability to create a library to store preapproved contract templates, clauses, and terms?
- j) Does the application allow for version control?

5. Contact Approval and Executing

- a) Can the application set automatic contract routing to relevant parties for review, approval, and execution including digital signatures?
- b) Does the application support Adobe Sign? Internal and external applications?
- c) Does the application have the ability to send the contract for signing to external counterparties?

## 6. Contract Repository

- a) Does the application have a repository that is centralized, secure, single-access storage for contracts and related documents?
- b) Can the application manage scanned documents, as well as native files in any format, including all versions of .doc, .pdf, .ppt, and .xls file types, common image formats?
- c) Is the application able to establish links between contracts and related documents, such as contracts and amendments, contracts, SOC-2 reports, insurance certificates, etc.?
- d) Does the application have to ability to perform full-text and keyword search of contracts, attachments, insurance requirements, etc.?
- e) Can the application search by a wide range of variables (e.g., vendors, deliverables, milestone dates, etc.)?

## 7. Contract Management and Compliance

- a) Can the application set contract business rules to manage and set targets for contract compliance be applied to the application?
- b) Can the application send automatic notifications/reminders regarding contract expiration?
- c) Can the application send automatic reminders/alerts regarding milestones, key dates, performance matrix, etc.?
- d) Does the application have the ability to track invoice payments through integration capability with other systems?
- e) Can the application monitor budget thresholds?
- f) Can the application send contract threshold alerts?

## 8. Audit and Reporting

- a) Can the application generate reports on contract progress, contract disposition, compliance rates, and execution milestones?
- b) Can the application create dashboards that are tailored for the Contract Administrators, Division Managers, Executive Management, and the Purchasing Agent?
- c) Can the application create ad hoc reports including individual and group contract reports?
- d) Does the application have an automated audit trail of user activity, including all messages and negotiated document versions?
- e) Does the application have the ability to audit the status, access, and usage of system resources?

## 9. Security and Access

- a) Does the application have authentication via a secure login screen?
- b) Does the system support role-based security (data entry, approver, administrator, read-only)?
- c) Can the application set security rules to contracts and supporting documents to limit or restrict access to unauthorized personnel?

- d) Does the company have security certifications for hosted applications (SOC2/3, FedRAMP/Govt Cloud, HIPAA, etc.)?
- e) Where is the application hosted? Are there multiple layers of redundancy?

10. Integration with external services

- a) Can the application integrate with Microsoft Office tools (Word, Excel, Access, PowerPoint, and Visio)?
- b) Can the application integrate with Adobe Sign?
- c) Can the application integrate with Great Plains and Dynamics 365?

11. Training and Support

- a) Does your company offer training for users and new users? If so, is this service included with the application?
- b) Please provide details of the application roll-out process.
- c) Does your company offer ongoing technical support?

## 5. **PROJECT DELIVERABLES**

### **A. Project Management**

LACERA Project Management Office (PMO) will be leading the Enterprise Contract Lifecycle Management Solution implementation project in collaboration with the Vendor Project Manager who will provide reliable development effort estimates and completion dates. Project execution shall be in Agile-Scrum/Iterative fashion.

### **B. Project Management Documentation**

The Vendor Project Manager shall create and maintain the Project Plan as well as the Project Control Document.

### **C. Enterprise Contract Lifecycle Management Software Solution**

The Vendor shall provide, configure, and customize the solution so that it satisfies the requirements outlined in section 2C for the Enterprise Contract Lifecycle Management software solution.

### **D. Enterprise Contract Lifecycle Management Architectural Diagram**

One of the critical success factors of the project is the integration with LACERA's existing Financial System Great Plains (GP). The Vendor shall work with LACERA's SMEs to determine the integration points of the system. The integration should allow a seamless user experience and the ability of the Enterprise Contract Lifecycle Management Software System to create new contracts as well as display Contract status data. The Vendor shall detail the integration between the Enterprise Contract Lifecycle Management and connecting Administration and Legal systems in an architectural diagram that shows integration points.

### **E. Executive Overviews**

In collaboration with LACERA PMO, the Vendor shall conduct Executive Overviews



to the LACERA Information Technology Coordination Council (ITCC).

**F. Systems Integration Testing**

The Vendor shall conduct system integration testing for all the functionalities provided in section 2C. Enterprise Contract Lifecycle Management Software Solution.

**G. End User Acceptance Testing**

The Vendor shall support end user acceptance testing for all the functionalities provided in section 2C. Enterprise Contract Lifecycle Management Software Solution.

**H. End User Documentation**

The Vendor shall work with LACERA's Subject Matter Experts, Admin Services, End Users, Quality Assurance Division, and Project Management Office to develop user training documentation, quick reference guides, and on-line help files for all LACERA staff members.

**I. Performance Testing**

The Vendor shall conduct performance testing for all the functionalities provided in section 2C. Enterprise Contract Lifecycle Management Software Solution

**J. Multiple solution regions**

The Vendor shall establish five distinct regions of the Enterprise Contract Lifecycle Management Software Solution source code, configuration, and data: Development, Quality Assurance, Training, Beta, and Production.

**K. Disaster Recovery Plan**

In collaboration with LACERA's Business Continuity and Disaster Recovery SMEs, the selected Vendor shall develop a Disaster Recovery strategy utilizing a high availability solution that will minimize downtime if a disruption with LACERA's Enterprise Contract Lifecycle Management Software should occur.

**L. Transitional Technical Training**

The selected Vendor shall conduct a skillset assessment of LACERA's application development staff members and provide adequate training for any gaps in skills needed to support the new system. The assessment and training should include developers, business analysts, and system administrators.

**M. Systems Administration and Operations Manual**

The Vendor shall develop system administration and operational procedures.

**6. NOTICE TO RESPONDENTS REGARDING THE PUBLIC RECORDS ACT AND THE RALPH M. BROWN ACT**

The information submitted in response to this RFP will be subject to public disclosure pursuant to the California Public Records Act (California Government Code Section 6250, et. seq., the "Act"). The Act provides generally that all records relating to a public agency's business are open to public inspection and copying unless specifically exempted under one of several exemptions set forth in the Act. If a respondent believes that any portion of its proposal is exempt from public disclosure or discussion under the Act, the respondent must provide a full explanation and mark such portion "TRADE SECRETS," "CONFIDENTIAL" or "PROPRIETARY," and make it readily separable from the balance of the response. Proposals marked "TRADE SECRETS," "CONFIDENTIAL" or "PROPRIETARY" in their entirety will not be honored, and LACERA will not deny public disclosure of all or any portion of proposals so marked.

By submitting a proposal with material marked "TRADE SECRETS," "CONFIDENTIAL" or "PROPRIETARY," a respondent represents it has a good faith belief that the material is exempt from disclosure under the Act; however, such designations will not necessarily be conclusive, and a respondent may be required to justify in writing why such material should not be disclosed by LACERA under the Act. Fee and pricing proposals are not considered "TRADE SECRET," "CONFIDENTIAL" or "PROPRIETARY".

If LACERA receives a request pursuant to the Act for materials that a respondent has marked "TRADE SECRET," "CONFIDENTIAL" or "PROPRIETARY," and if LACERA agrees that the material requested is not subject to disclosure under the Act, LACERA will, if times permits, either notify the respondent so that it can seek a protective order at its own cost and expense, or LACERA will deny disclosure of those materials. LACERA will not be held liable, however, for disclosure of such materials, data, and information or for disclosure of such materials if deemed appropriate in LACERA's sole discretion. LACERA retains the right, in its sole discretion, to disclose all information provided by a respondent, regardless of how such information is labeled.

If LACERA denies public disclosure of any materials designated as "TRADE SECRETS," "CONFIDENTIAL" or "PROPRIETARY", the respondent agrees to reimburse LACERA for, and to indemnify, defend and hold harmless LACERA, its Boards, officers, fiduciaries, staff members, and agents from and against:

1. All claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses, including without limitation attorneys' fees, expenses, and court costs of any nature whatsoever (collectively, Claims) arising from or relating to LACERA's non-disclosure of any such designated portions of a proposal; and
2. All Claims arising from or relating to LACERA's public disclosure of any such designated portions of a proposal if LACERA determines disclosure is deemed required by law, or if disclosure is ordered by a court of competent

jurisdiction.

If LACERA staff recommends any respondent to the Boards for hiring, such recommendation, the reasons for the recommendation and the relevant proposal(s) will appear on a publicly posted agenda and in supporting materials for public meetings of the Boards.

Nothing in this RFP requires LACERA to withhold any documents from production under the Act.

## **7. NOTICE TO RESPONDENTS REGARDING LACERA DATA PROTECTION**

LACERA, its consultants, vendors, and contractors have a duty to protect all LACERA data, including without limitation, information related to members and beneficiaries, finances, systems, and operations.

Depending upon the scope of work, the finalist selected through this procurement may have access to sensitive information protected by LACERA's internal policies, state law, and federal law. In such a case, by submitting a proposal, respondent agrees to subject itself to certain contractual terms designed to protect such information, including without limitation cyber liability insurance, SOC-2 reports (or, in the alternative, a Security Controls Report as per **Exhibit B**), systems penetration testing, and HIPAA Business Associate agreements, as the case may be. Respondents shall inform LACERA in their response if they have any limitations to agreeing to such terms. Respondents that do not make reservations shall lose their right to do so at the contracting phase.

## **8. CONTRACT NEGOTIATIONS**

Upon Board approval, staff will enter contract negotiations with the approved Respondent(s). LACERA may end negotiations, at its sole discretion, if it believes a satisfactory agreement cannot be negotiated. LACERA reserves the right to award a contract based upon proposals received; you should not rely upon the opportunity to alter your proposal (e.g., services to be provided, fees, etc.) during contract negotiations.

The final contract must allow LACERA to terminate a) for its convenience, b) if funds are not appropriated for the services to be provided, and c) for default.

The general form of the contract LACERA intends to use for this engagement is attached as **Exhibit C**. By sending a proposal without comment on the general form contract, Respondent agrees to each term in the contract, and will not seek any modifications to the contract. LACERA has the right to change or negotiate contract

terms different than those in **Exhibit C** in our sole discretion.

Respondents are required to clarify, identify, and explain any exception that it desires to take to any of the terms and conditions of this RFP. In addition, a respondent will be deemed to have agreed to each clause in the retainer agreement (and not to seek inclusion of additional clauses), unless the respondent identifies an objection or inclusion, sets forth the basis for the objection or inclusion, and provides substitute language to make the clause acceptable to the respondent or to address an issue the respondent feels is not addressed by the agreement in its response to this RFP. If a satisfactory agreement cannot be negotiated with one or more of the companies, LACERA may, at its sole discretion, terminate such negotiations. LACERA, may then, at its option, initiate fee negotiations with another company, and so on.

At LACERA's discretion, the term of the contract entered under this RFP may be for an initial period of up to five (5) years, beginning from the date of final execution. There may be two (2) one-year extensions under the same terms and conditions at LACERA's option. All contracts may be terminated at LACERA's convenience at any time.

## **9. RESERVATIONS BY LACERA**

In addition to the other provisions of this RFP, LACERA reserves the right to:

- Cancel or modify this RFP, in whole or in part, at any time.
- Make such investigation as it deems necessary to determine the respondent's ability to furnish the required services, and the respondent agrees to furnish all such information for this purpose as LACERA may request.
- Reject the proposal of any respondent who is not currently in a position to perform the contract, or who has previously failed to perform similar contracts properly, or in a timely manner or for any other reason in LACERA's sole discretion.
- Waive irregularities, to negotiate in any manner necessary to best serve the public interest, and to make a whole award, multiple awards, a partial award, or no award.
- Award a contract, if at all, to the company which will provide the best match to the requirements of the RFP and the service needs of LACERA in LACERA's sole discretion, which may not be the proposal offering the lowest fees or achieving the highest score, and to change the terms of the proposed agreement attached as **Exhibit C**.

- Request additional documentation or information from respondents. Requested information may vary by respondent. LACERA may ask questions of any respondent to seek clarification of a proposal or to ensure the respondent understands the scope of the work or other terms of the RFP.
- The right to choose to not enter into an agreement with any of the respondents to this RFP or negotiate for the services described in this RFP with a party that did not submit a proposal.
- Determine the extent, without limitation, to which the services of a successful respondent are or are not actually utilized.
- Defer selection of a winning bidder to a time of LACERA's choosing.
- Consider information about a respondent in addition to the information submitted in the response or interview.
- Add terms and conditions during contract negotiations.

The information that a respondent submits in response to this RFP becomes the exclusive property of LACERA. LACERA will not return any proposal or reimburse proposal preparation expenses.

LACERA shall not be liable for any costs respondents incur in connection with the preparation or submission of a proposal.

## **EXHIBIT A INTENT TO RESPOND**

If you choose to respond to this RFP, please send this form to [eclmRFP@lacera.com](mailto:eclmRFP@lacera.com) via email no later than 5:00 p.m. PDT, October 15, 2021. Failure to send your Intent to Respond may disqualify your firm from submitting a proposal.

LACERA's responses to written requests for clarification or other information will be provided to all Respondents that have submitted an Intent to Respond.

**To:** Celso Templo  
**Co:** LACERA – Systems Division  
**Phone:** 626-564-6000 ext. 4690  
**Email:** [eclmRFP@lacera.com](mailto:eclmRFP@lacera.com)  
**Re:** Intent to Respond

Our firm intends to submit a response for LACERA’s RFP for [Services Requested]. Please send inquiries to the following contact:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
Email Address: \_\_\_\_\_

## **EXHIBIT B IT SECURITY CONTROLS**

If selected through this RFP process respondent shall provide an initial Security Controls Report in the form attached hereto prior to executing an agreement with LACERA. All subsequent Security Controls Reports that are required after this first report shall be performed and submitted annually. The questionnaires are to focus on security as it applies to the technologies impacting services provided in relation to the scope of work. If a control is found to be inadequate, respondent will

develop a remediation plan within 30 days. Respondent will implement the plan and inform LACERA of the change within a mutually agreed upon and reasonable time.

The Security Controls Reports shall report in writing on the respondent's system(s) and the suitability of the design and operating effectiveness of controls, information functions, and/or processes applicable to the environment in which the respondent receives and maintains LACERA records, including the security requirements.

Respondent shall provide to LACERA, within 30 calendar days of the issuance of each Security Controls Report, a documented corrective action plan that addresses each audit finding or exception contained therein. The corrective action plan shall show in detail the required remedial action by respondent along with the implementation date(s) for each remedial action.

If respondent does not obtain an annual Security Controls Report, LACERA shall have the right to retain an independent audit firm to perform such an audit engagement for such a report. The audit will include the controls, information functions, and processes used or provided by respondent. Respondent agrees to allow the independent audit firm to access its facilities for purposes of conducting this audit engagement. They will provide the necessary support and cooperation to the independent audit firm.

The independent audit firm will be engaged by LACERA's legal department and subject to the same confidentiality requirements supported in this agreement, and any disclosure will be on a need-to-know basis only for the purpose of the Security Controls Report. LACERA will invoice respondent for the expense of the report(s) or deduct the cost from future payments to the respondent.

## IT Security Controls - LACERA Environment

Control Section	Control Name	Control Description	Control Validation Test/Review Performed	Control Validation Results
<b>Access Control</b>	Access control policy	An access control policy shall be established, documented, and reviewed based on business and information security requirements.		
	Access to networks and network services	Users shall only be provided with access to the network and network services that they have been specifically authorized to use.		
	User registration and de-registration	A formal user registration and de-registration process shall be implemented to enable assignment of access rights.		
	User access provisioning	A formal user access provisioning process shall be implemented to assign or revoke access rights for all user types to all systems and services.		
	Review of user access rights	Asset owners shall review users' access rights at regular intervals.		
	Removal or adjustment of access rights	The access rights of all employees and external party users to information and information processing facilities shall be removed upon termination of their employment, contract, or agreement, or adjusted upon change.		
	Use of password information	Users shall be required to follow consultant's practices in the use of password information.		
	Secure log-on procedures	Where required by the access control policy, access to systems and applications shall be controlled by a secure log-on procedure.		
	Password management	Password management systems shall be interactive and shall ensure quality passwords.		
<b>Physical and Environmental Security</b>	Physical security perimeter	Security perimeters shall be defined and used to protect areas that contain either sensitive, critical information or information processing facilities.		
	Physical entry controls	Secure areas shall be protected by appropriate entry controls to ensure that only authorized personnel are allowed access.		
	Protecting against external and environmental threats	Physical protection against natural disasters, malicious attacks, or accidents shall be designed and applied.		
	Supporting utilities	Equipment shall be protected from power failures and other disruptions caused by failures in supporting utilities.		
	Equipment maintenance	Equipment shall be correctly maintained to ensure its continued availability and integrity.		



<b>Network Security Management</b>	Network controls	Networks shall be managed and controlled to protect information in systems and applications.		
	Security of network services	Security mechanisms, service levels, and management requirements of all network services shall be identified and included in network services agreements, whether these services are provided in- house or outsourced.		
	Information transfer policies and procedures	Formal transfer policies, procedures, and controls shall be in place to protect the transfer of information using all types of communication facilities.		
<b>Operational</b>	Documented operating procedures	Operating procedures shall be documented and made available to all users who need them.		
	Change management	Changes to consultant, business processes, information processing facilities and systems that affect information security shall be controlled.		
	Capacity management	The use of resources shall be monitored and tuned, and projections made of future capacity requirements to ensure the required system performance.		
	Controls against malware	Detection, prevention, and recovery controls to protect against malware shall be implemented, combined with appropriate user awareness.		
	Information backup	Backup copies of information, software, and system images shall be taken and tested regularly in accordance with an agreed backup policy.		
	Event logging	Event logs recording user activities, exceptions, faults, and information security events shall be produced, kept, and regularly reviewed.		
	Protection of log information	Logging facilities and log information shall be protected against tampering and unauthorized access.		
	Clock Synchronization	The clocks of all relevant information processing systems within an organization or security domain shall be synchronized to a single reference time source.		
	Management of technical vulnerabilities	Information about technical vulnerabilities of information systems being used shall be obtained in a timely fashion, consultant's exposure to such vulnerabilities evaluated and appropriate measures taken to address the associated risk.		
<b>Information Security Incident Management</b>	Responsibilities and procedures	Management responsibilities and procedures shall be established to ensure a quick, effective, and orderly response to information security incidents.		
	Reporting information security events	Information security events shall be reported through appropriate channels as quickly as possible.		

	Reporting information security weaknesses	Employees and contractors using consultant's information systems and services shall be required to note and report any observed or suspected information security weaknesses in systems or services.		
	Response to information security incidents	Information security incidents shall be responded to in accordance with the documented procedures.		
	Learning from information security incidents	Knowledge gained from analyzing and resolving information security incidents shall be used to reduce the likelihood or impact of future incidents.		

*(The rest of this page is left intentionally blank)*

## **EXHIBIT C AGREEMENT FOR SERVICES**

THIS IS THE GENERAL FORM AND CONTENT OF THE CONTRACT LACERA INTENDS TO USE. IN SUBMITTING A PROPOSAL WITHOUT COMMENT ON THE CONTRACT, THE BIDDER WILL BE DEEMED TO HAVE AGREED TO EACH CLAUSE IN THE AGREEMENT BELOW (AND TO NOT SEEK ANY MODIFICATIONS TO THE AGREEMENT), UNLESS BIDDER'S PROPOSAL IDENTIFIES AN OBJECTION OR INCLUSION, SETS FORTH THE BASIS FOR THE OBJECTION OR INCLUSION, AND PROVIDES SUBSTITUTE LANGUAGE TO MAKE THE CLAUSE ACCEPTABLE TO BIDDER.

LACERA RESERVES THE UNILATERAL RIGHT IN ITS SOLE DISCRETION TO MAKE CHANGES TO THE CONTRACT PRIOR TO EXECUTION, WHICH CHANGES WILL NOT PROVIDE BIDDER WITH AN OPPORTUNITY TO MAKE FURTHER CHANGES TO THE OTHER TERMS OF THE CONTRACT.

### **CONTRACT FOR CASE MANAGEMENT SOFTWARE SOLUTION IMPLEMENTATION**

This Contract for Case Management Software Solution Implementation ("Contract") is made and entered into by and between Los Angeles County Employees Retirement Association ("LACERA") and [NAME] ("Vendor") and is effective as of the date shown in Section 5.

#### **Recitals**

LACERA seeks the services of a company that offers a low code Case Management Software Solution that seamlessly integrates with LACERA's Pension Administration System.

Vendor represents that they offer the Case Management Software Solution that LACERA seeks.

#### **Contract**

##### 1. Services to be Provided.

1. Vendor agrees to perform the services ("Services") described in the Statement of Work ("Statement of Work") attached to this Contract as Attachment A.

2. Vendor agrees to perform the Services at LACERA's offices, and with LACERA's consent, via telephone or email, and when

appropriate, at a location of Vendor's choice.

3. All writings prepared or furnished by Vendor to LACERA in the performance of this Contract shall be the exclusive property of LACERA and may be used by LACERA, as LACERA deems appropriate.

4. Vendor's quality of service will be at least equivalent to that which Vendor provides to other clients it serves in the same capacity. Vendor will be held to the same standard of care, skill, prudence, and diligence that applies to other experts practicing in a like enterprise.

2. Independent Contractor.

1. Vendor agrees to perform the Services as an independent contractor and agrees they will be acting at all times as such. Neither party intends, and this Contract may not be construed, to create any relationship of agent, servant, employee, partnership, joint venture, or association between Vendor and LACERA. Vendor is not and will not be deemed to be for any purpose (including, without limitation, Workers' Compensation) an employee of Los Angeles County (the "County"). Vendor is not entitled to any rights, benefits, or privileges of County employees. Vendor is not eligible to participate in any insurance, savings, pension, or deferred compensation offered by LACERA or the County.

2. Vendor has no power or authority to assume or create any obligation or responsibility, express or implied, on behalf of LACERA or the County, or to bind LACERA or the County in any way whatsoever.

3. Vendor accepts full and complete responsibility for filing all tax returns and paying all taxes, which may be required, or due for payments received from LACERA under this Contract. LACERA will memorialize payments for Vendor's services on a Form 1099.

4. Vendor represents and warrants that they comply with all applicable federal, state, and local laws, including without limitation, those laws respecting business licenses, withholding, reporting, and payment of taxes. Vendor further represents and warrants that they will report any income accruing to him from this Contract to the appropriate taxing authorities.

3. LACERA's Project Management Office.

LACERA's Project Management Office, composed of the PMO Head and Project Manager has responsibility for determining whether the Services are performed to LACERA's satisfaction. LACERA's PMO Head is Celso Templo and Project Manager is Michael Dozier. Correspondence can be sent to the following email address caseManagementRFP@lacera.com.

#### 4. Indemnification and Insurance.

4.1 Vendor shall indemnify, defend and save harmless LACERA, its agents, officers and employees from and against any and all liability, damage, suit, cost of suit, or expense, including defense costs and attorney's fees, arising out of or connected with claims for damages of any nature whatsoever arising from or connected with Vendor's operations or its services, including, without limitation, claims for bodily injury, death, personal injury, or property damage, including damage to Vendor's property.

4.2. Without limiting Vendor's obligations to indemnify LACERA, Vendor will provide and maintain at its own expense during the term of this Contract the programs of insurance programs specified in this Contract. Such insurance will be primary and not contributing with any other insurance of self-insurance programs maintained by LACERA, and Vendor agrees to provide and maintain such insurance at its own cost and expense.

4.2.1 Certificate(s) or other evidence of coverage satisfactory to LACERA shall be delivered to prior to commencing services under this Contract and annually thereafter to:

James  
Beasley  
LACERA  
300 N. Lake Avenue, Suite 650  
Pasadena, CA 91101-4199

4.3 Such certificates or other evidence shall:

4.3.1 Specifically identify this Contract.

4.3.2 Clearly evidence all coverages required in this Contract.

4.3.3. Contain the express condition that LACERA is to be given written notice by mail at least 45 days in advance of cancellation for all policies, or, alternatively, in the event the insurers that otherwise provide satisfactory insurance hereunder do not assume third-party notification provisions, Vendor hereby agrees to notify LACERA at least 45 days in advance of any cancellation of any of the policies provided for herein.

4.3.4 Include copies of the additional insured endorsement to the commercial general liability policy, adding that LACERA, its trustees, officers, and employees as insureds for all activities arising from this Contract.

4.3.5 Self-Insured Retentions must be declared to and approved by the LACERA. LACERA may require Vendor to purchase coverage with no retention or provide proof of ability to pay losses and related investigations, claim administration, and

defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention will be satisfied by the named Vendor

4.3.6 LACERA reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

4.4 Insurer Financial Ratings. Insurance is to be provided by an insurance company acceptable to LACERA with an A.M. Best rating of not less than A-, X, unless otherwise approved by LACERA.

4.5 Failure to Maintain Coverage. Vendor's failure Vendor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to LACERA, shall constitute a material breach of the contract upon which LACERA may immediately terminate or suspend this Contract. LACERA, at its sole option, may obtain damages from Vendor resulting from said breach.

4.6 Compensation for LACERA Costs. In the event that Vendor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to LACERA, Vendor shall pay full compensation for all costs incurred by LACERA.

4.7 Cooperation Regarding Insurance. LACERA may elect to procure insurance against loss or damage it may sustain in connection with Vendor's performance under this Contract. Vendor will promptly cooperate with any reasonable request for information regarding Vendor which is required to obtain such insurance.

4.8 Survival of Obligations. Vendor's obligations under this Section 4 shall survive expiration or termination of this Contract.

4.9 Commercial General Liability. Vendor shall provide and maintain a Commercial General Liability insurance policy, which names LACERA as additional insured. Such policy shall cover legal liability for bodily injury and property damage arising out of Vendor's business operations and services that Vendor provides pursuant to this Contract. Such policy shall include, without limitation, endorsements for Property Damage, Premises-Operations, Products/Completed Operations, Contractual, and Personal/Advertising Injury with a limit of at least \$1,000,000 per occurrence and an annual aggregate of at least 2,000,000. If such insurance is written on a Claims Made Form, such insurance shall be endorsed providing an extended reporting period of not less than five (5) years following termination or expiration of this Contract.

4.10 Auto Liability. Vendor shall provide and maintain a comprehensive auto liability insurance policy endorsed for all "owned", "non-owned", and "hired" vehicles, or coverage for any "auto", with a combined single limit of not less than One Million Dollars (\$1,000,000) per accident.

4.11 Workers' Compensation. Vendor shall bear sole responsibility and liability for furnishing Workers' Compensation benefits to Vendor's employees for injuries arising from or connected with any services provided to LACERA under this Contract. Vendor shall provide and maintain a program of Workers' Compensation, in an amount and form to meet all applicable statutory requirements. In all cases, worker's compensation insurance also shall include Employer's Liability Insurance with limits of not less than \$1,000,000, each accident, and \$1,000,000, disease, covering all of Vendor's employees.

4.12 Errors and Omissions. Vendor shall provide and maintain insurance covering liability arising from any error, omission, negligent or wrongful act of the Vendor, its officers, employees or Agents, with limits of at least \$1,000,000 per claim and an annual aggregate of at least \$2,000,000. The coverage also shall provide an extended one-year reporting period commencing upon termination or cancellation of this Contract.

4.13 Cyber Liability Insurance. Without limiting any of the obligations or liabilities of Vendor, Vendor shall carry and maintain, at its own expense including any applicable deductibles or retention, Cyber Liability insurance with limits of not less than \$2,000,000 for each occurrence and an annual aggregate of \$5,000,000 covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy coverage shall include, but not be limited to:

4.13.1 Privacy Liability Coverage. This coverage shall include LACERA and its members for breaches of their private information in the case of a data breach.

4.13.2 Notification Costs. This coverage shall cover the costs of notifying third parties and LACERA members potentially affected by a data breach.

4.13.3 Crisis Management. This coverage shall include the costs of managing the public relations outfall from most data breach scenarios.

4.13.4 Credit/Identity Monitoring. This coverage shall include coverage for affected members for at least 24 months or the minimum legally required period, whichever is longer.

4.13.5 Theft and Fraud Coverage. This coverage shall include the costs of theft or destruction of the LACERA's data and theft of funds.

4.13.6 Network and Business Interruption. This coverage shall include any expense due to an intentional interruption of the LACERA's computer systems.

4.13.7 Data Loss and Restoration. This coverage shall include the costs

of diagnosing and repairing the cause of the loss and restoring all data.

5. Term.

The term of this Contract begins on [DATE] (the "Start Date"), and unless terminated for convenience, ends on the earlier of (i) full performance of the Services by Vendor and acceptance by LACERA or [ONE YEAR] after the Start Date. This Contract automatically renews up to four times for subsequent and successive one-year periods under the same terms, conditions and compensation, unless either party delivers its written request for changes not less than ninety (90) days prior to the end of the then current term of the Contract. Neither party is required to renew or extend this Contract.

6. Non-Exclusive Services.

This Contract is not exclusive. Vendor has the right to perform services for others during the term of this Contract, but Vendor agrees not to engage in any business, work or services of any kind under contract, or otherwise, for any person, organization or agency, which in the opinion of LACERA is detrimental to the interests of LACERA or that would materially interfere with the performance of the Services. Vendor agrees to disclose such information regarding business, work or services they perform on behalf of any person, organization or agency as LACERA may reasonably require verifying Vendor's compliance with this Section.

7. Compensation.

LACERA agrees to pay Vendor according to the Fee Schedule attached as Attachment B for performing the Services. Vendor's expenses are included in the compensation described in Attachment B and therefore Vendor is not entitled to any separate reimbursement for any expenses incurred by it in discharging its duties under this Contract, unless otherwise agreed by LACERA.

8. Invoices.

Vendor agrees to submit invoices to LACERA's Project Manager, in arrears, by the tenth day of each calendar month for Services performed during the previous calendar month. Each invoice must (a) describe in detail the Services performed and expenses incurred by Vendor during the invoice period, (b) show the cumulative charges year-to-date (based on a fiscal year beginning July 1, for all Services and expenses, and (c) include such other information as LACERA may reasonably request. Each invoice will be payable within thirty days of receipt by LACERA. If LACERA's Project Manager disputes any portion of an invoice, however, LACERA will pay the undisputed portion only and notify Vendor in writing of the disputed portion. Vendor and LACERA agree to act in good faith to resolve such disputes.

9. Contract Not Assignable.



Vendor may not assign any of its rights, duties, or obligations under this Contract without the prior written consent of LACERA, which LACERA may grant or withhold in its sole discretion.

## 10. Confidentiality.

10.1 Confidential Information. Vendor understands that, during the performance of this Contract, it will have access to confidential and proprietary LACERA information, policies and procedures, benefits, business practices, and technology concerning LACERA's operations, as well as sensitive confidential member information and business critical non-member information (collectively, "Confidential Information"). For clarity, Confidential Information includes all information of any and every kind provided to Vendor, regardless of whether it may previously have been disclosed by LACERA or others in other contexts, in that LACERA needs to know to whom, when, where, and how all of its information has been disseminated and reserves to itself the right to determine to whom, when, where, and how such information is released. Confidential Information further includes all information related in anyway to LACERA provided to Vendor.

Confidential Information may be provided to Vendor or generated or stored by Vendor in written, electronic, verbal, and all others forms. Vendor understands and agrees that:

10.1.1 Vendor shall not disclose Confidential Information to any person within its organization except those persons required to perform the services of the Contract.

10.1.2 Vendor shall not disclose Confidential Information to any third party without LACERA's advance written approval.

10.1.3 Vendor's agreement not to disclose Confidential Information includes an agreement not to disclose information even on a no-names basis.

10.1.4 Vendor will use best efforts, including but not limited to the highest level of care Vendor accords to its own most sensitive information and the most sensitive information of its other clients, to secure and maintain the confidential nature of the Confidential Information.

10.1.5 Vendor will not use the Confidential Information for any purpose other than to perform the services required by this Contract. This confidentiality provision will survive the termination of the Contract.

## 11. Nondiscrimination.

Vendor hereby promises and agrees that it will comply with Subchapter VII of the Civil Rights Act of 1964, 43 USC Section 2000e through 2000e (17), to the end that

no person shall, on grounds of race, creed, color, sex, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract, or under any project, program or activity supported by this Contract.

Vendor shall take affirmative action to ensure that applicants and employees are treated in an unbiased manner without regard to their race, color, religion, sex, age, ancestry, or national origin, physical or mental handicap, marital status, or political affiliation. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

#### 12. Compliance with Laws.

Vendor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, and directives, and all provisions required to be included in this Contract are incorporated by this reference. Vendor shall indemnify and hold LACERA harmless from any loss, damage or liability resulting from a violation by Vendor of any such laws, rules, regulations, ordinances, and directives.

#### 13. Conflict of Interest.

No officer or employee of LACERA whose position enables him or her to influence the award of this Contract or any competing agreement, and no spouse or economic dependent of such officer or employee shall be employed in any capacity or in any way remunerated by Vendor or have any direct or indirect financial interest in this Contract or in Vendor.

#### 14. Modifications.

Any modification to this Contract must be in writing, signed by Vendor and LACERA, to be effective.

#### 15. Termination for Default.

Services performed under this Contract may be terminated in whole or in part by LACERA providing to Vendor a written Notice of Default if (1) Vendor fails to perform the services within the time specified in this Contract or any extension approved by LACERA, or (2) Vendor fails to perform any other covenant or condition of this Contract, or (3) Vendor fails to make progress so as to endanger its performance under this Contract.

Vendor shall have ten (10) calendar days from the date of the Notice of Default in which to cure the Default(s), however, in its sole discretion, LACERA may extend this period or authorize a longer period for cure.

Without limitation of any additional rights or remedies to which it may be entitled, if LACERA terminates all or part of the services for Vendor's Default, LACERA, in its sole discretion, may procure replacement services and Vendor shall be liable for all excess costs incurred by LACERA in connection with those replacement services, as determined by LACERA in its sole discretion.

If it is determined that Vendor was not in Default under the provisions of this Contract, or that the Default was excusable, then the rights and obligations of the parties shall be the same as if the Notice of Termination had been issued under Section 16. Termination for Convenience.

#### 16. Termination for Convenience.

Services performed under this Contract may be terminated in whole or in part at any time LACERA or Vendor deems that termination is in its best interest. LACERA or Vendor shall terminate services by delivering a written Termination Notice which specifies the extent to which services are terminated and the effective termination date.

After receiving a Termination Notice under this section, and unless otherwise expressly directed by LACERA, Vendor shall take all necessary steps and shall stop services on the date and to the extent specified in the Termination Notice and shall complete services not so terminated.

#### 17. SOC-2 Type 2

SOC-2 Type 2 Report. The Vendor shall have an annual audit performed by an independent audit firm. The audits shall include the Vendor's and any subcontractor's handling of Confidential Information and shall address all areas relating to information technology security and operational processes to provide such security. The audits shall be performed in accordance with the guidance set forth in Reporting on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, or Privacy (SOC-2 Type 2), as published by the American Institute of Certified Public Accountants (AICPA) and as updated from time to time, or according to the most current audit guidance promulgated by the AICPA or similarly recognized professional organization, as agreed to in writing by LACERA. The audit shall assess the security of information technology security and operational process to provide such security as follows:

17.1 The type of audit to be performed in accordance with the Guidance is a SOC 2 Type 2 Audit (referred to as the "SOC 2 Audit" or "SOC 2 Report"). The initial SOC 2 Audit shall be scheduled and completed within six months of executing the Contract. All subsequent SOC 2 Audits that are arranged after this first audit shall be performed and submitted annually.

17.2 The SOC 2 Audit shall report in writing on the Vendor's and any subcontractor's system(s) and the suitability of the design and operating effectiveness

of controls of the information functions and/or processes to meet the requirements of the Contract, including these security requirements.

17.3 The scope of the SOC 2 Report shall include work performed by any subcontractor that provide essential support to the Vendor for the information functions or processes for the services offered to LACERA under the Contract. The Vendor shall ensure the audit includes all subcontractors operating in the performance of the Contract.

17.4 All SOC 2 Audits, including those of the Vendor and any subcontractors, shall be performed at no additional expense to LACERA.

17.5 The Vendor and all relevant subcontractors shall promptly provide a complete copy of the final SOC 2 Report(s) to the Project Manager upon completion of each SOC 2 Audit engagement.

17.6 The Vendor shall provide to LACERA, within 30 calendar days of the issuance of each SOC 2 Report, a documented corrective action plan that addresses each audit finding or exception contained in a SOC 2 Report. The corrective action plan shall identify in detail the required remedial action by the Vendor or subcontractor(s) along with the implementation date(s) for each remedial action.

17.7 If the Vendor or any subcontractor fails to obtain an annual SOC 2 Report, LACERA shall have the right to retain an independent audit firm to perform an audit engagement of a SOC 2 Report. The audit will include the information functions and processes utilized or provided by the Vendor and any relevant subcontractor under the Contract. The Vendor and any subcontractor agree to allow the independent audit firm to access its facilities for purposes of conducting this audit engagement. They will provide the necessary support and cooperation to the independent audit firm that is required to perform the audit engagement of the SOC 2 Report. LACERA will invoice the Vendor for the expense of the SOC 2 Report(s) or deduct the cost from future payments to the Vendor.

## 18. Disaster Recovery & Business Continuity

Vendor will implement and maintain disaster recovery and business continuity procedures that are reasonably designed to recover data processing systems, data communications facilities, information, data, and other business-related functions of LACERA in a manner and time frame consistent with legal, regulatory and business requirements applicable to LACERA.

## 19. Data Breach Verification

19.1 Vendor shall provide an annual written, signed attestation that to the best of its knowledge, no data breach, hacking, or incidental divulging of Member Records has occurred and that no Member Record has been compromised. The attestation shall verify that adequate internal policies and procedures exist to prevent data theft and

unauthorized access.

19.2 Vendor shall provide an annual system penetration test in support of the attestation made in item A above. Vendor shall provide the results of penetration tests to LACERA.

19.3 Vendor shall comply with California Civil Code § 1798.29(e) and California Civil Code § 1798.82(f). In the event of a security breach of more than 500 records, the Vendor shall electronically submit a single sample copy of that security breach notification, excluding any personally identifiable information, to the Attorney General.

19.4 Vendor shall notify any California resident whose unencrypted personal information, as defined, was acquired, or reasonably believed to have been acquired, by an unauthorized person as required by California Civil Code § 1798.29(a) and California Civil Code § 1798.82(a).

19.5 Notwithstanding the legal notification requirements in the preceding paragraphs, Vendor will immediately notify LACERA upon its discovery of any incident or data breach.

## 20. Entire Contract and Severability.

This document (including Attachments A and B) constitutes the final, complete, and exclusive statement of the terms of the Contract between LACERA and Vendor for the services to be performed and supersedes all prior and contemporaneous understandings or Contracts of the parties. The provisions of this Contract are severable, and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions or parts thereof shall nevertheless be binding and enforceable and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal, and enforceable provision which comes closest to the intent of the parties.

## 21. Governing Law and Venue.

21.1 This Contract shall be governed by, and construed and enforced in accordance with, the laws of the State of California without regard to principles of conflicts of laws.

21.2 Any party bringing a legal action or proceeding against any other party arising out of or relating to this Contract or the transactions it contemplates (whether in contract, tort, equity, or otherwise), shall bring the legal action or proceeding in either the United States District Court or in any court of the State of California sitting in Los Angeles County.

21.3 Each party to this Contract consents to the exclusive personal and subject

matter jurisdiction of any United States District Court sitting in the County of Los Angeles and any court of the State of California sitting in the County of Los Angeles, and their appellate courts for the purpose of all legal actions and proceedings arising out of or relating to this Contract or the transactions it contemplates, including all claims of any nature or type, whether in contract, tort, statutory, equitable, legal, or otherwise.

22. Attorney's Fees.

In the event of litigation between the parties concerning this Contract, the prevailing party shall be entitled to recover reasonable costs and expenses incurred therein, including without limitation attorney's fees. These expenses shall be in addition to any other relief to which the prevailing party may be entitled and shall be included in and as part of the judgment or decision rendered in such proceeding.

23. Interpretation.

Vendor acknowledges they have been given the opportunity to have counsel of their own choosing to participate fully and equally in the review and negotiation of this Contract. The language in all parts of this Contract shall be construed in all cases according to its fair meaning, and not strictly for or against any party hereto. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Contract.

24. Waiver.

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, or preceding or subsequent, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

IN WITNESS WHEREOF, Vendor has signed this Contract, and the [SIGNATORY TITLE] of LACERA has signed this Contract, effective as of the date indicated in Section 5.

LACERA: [Vendor Name]:

Los Angeles County  
Employees Retirement  
Association

By: \_\_\_\_\_ [TITLE] [Authorized Signatory Title]

Address for notices: Address for

notices: [NAME]  
LACERA  
300 N. Lake Avenue, Suite  
[XXX] Pasadena, CA 91101

Approved as to form:

---

John Harrington  
LACERA Staff  
Counsel

**EXHIBIT A  
INTENT TO RESPOND**

If you choose to respond to this RFP, please send this form to [eclmRFP@lacera.com](mailto:eclmRFP@lacera.com) via email no later than 5:00 p.m. PDT, October 15, 2021. Failure to send your Intent to Respond may disqualify your firm from submitting a proposal.

LACERA’s responses to written requests for clarification or other information will be provided to all Respondents that have submitted an Intent to Respond.

**To:** Celso Templo  
**Co:** LACERA – Systems Division  
**Phone:** 626-564-6000 ext. 4690  
**Email:** [eclmRFP@lacera.com](mailto:eclmRFP@lacera.com)  
**Re:** Intent to Respond

Our firm intends to submit a response for LACERA’s RFP for [Services Requested]. Please send inquiries to the following contact:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
Email Address: \_\_\_\_\_



## **EXHIBIT B IT SECURITY CONTROLS**

If selected through this RFP process respondent shall provide an initial Security Controls Report in the form attached hereto prior to executing an agreement with LACERA. All subsequent Security Controls Reports that are required after this first report shall be performed and submitted annually. The questionnaires are to focus on security as it applies to the technologies impacting services provided in relation to the scope of work. If a control is found to be inadequate, respondent will develop a remediation plan within 30 days. Respondent will implement the plan and inform LACERA of the change within a mutually agreed upon and reasonable time.

The Security Controls Reports shall report in writing on the respondent's system(s) and the suitability of the design and operating effectiveness of controls, information functions, and/or processes applicable to the environment in which the respondent receives and maintains LACERA records, including the security requirements.

Respondent shall provide to LACERA, within 30 calendar days of the issuance of each Security Controls Report, a documented corrective action plan that addresses each audit finding or exception contained therein. The corrective action plan shall show in detail the required remedial action by respondent along with the implementation date(s) for each remedial action.

If respondent does not obtain an annual Security Controls Report, LACERA shall have the right to retain an independent audit firm to perform such an audit engagement for such a report. The audit will include the controls, information functions, and processes used or provided by respondent. Respondent agrees to allow the independent audit firm to access its facilities for purposes of conducting this audit engagement. They will provide the necessary support and cooperation to the independent audit firm.

The independent audit firm will be engaged by LACERA's legal department and subject to the same confidentiality requirements supported in this agreement, and any disclosure will be on a need-to-know basis only for the purpose of the Security Controls Report. LACERA will invoice respondent for the expense of the report(s) or deduct the cost from future payments to the respondent.

# IT Security Controls - LACERA Environment

Control Section	Control Name	Control Description	Control Validation Test/Review Performed	Control Validation Results
<b>Access Control</b>	Access control policy	An access control policy shall be established, documented, and reviewed based on business and information security requirements.		
	Access to networks and network services	Users shall only be provided with access to the network and network services that they have been specifically authorized to use.		
	User registration and de-registration	A formal user registration and de-registration process shall be implemented to enable assignment of access rights.		
	User access provisioning	A formal user access provisioning process shall be implemented to assign or revoke access rights for all user types to all systems and services.		
	Review of user access rights	Asset owners shall review users' access rights at regular intervals.		
	Removal or adjustment of access rights	The access rights of all employees and external party users to information and information processing facilities shall be removed upon termination of their employment, contract, or agreement, or adjusted upon change.		
	Use of password information	Users shall be required to follow consultant's practices in the use of password information.		
	Secure log-on procedures	Where required by the access control policy, access to systems and applications shall be controlled by a secure log-on procedure.		
	Password management	Password management systems shall be interactive and shall ensure quality passwords.		
<b>Physical and Environmental Security</b>	Physical security perimeter	Security perimeters shall be defined and used to protect areas that contain either sensitive, critical information or information processing facilities.		
	Physical entry controls	Secure areas shall be protected by appropriate entry controls to ensure that only authorized personnel are allowed access.		
	Protecting against external and environmental threats	Physical protection against natural disasters, malicious attacks, or accidents shall be designed and applied.		
	Supporting utilities	Equipment shall be protected from power failures and other disruptions caused by failures in supporting utilities.		
	Equipment maintenance	Equipment shall be correctly maintained to ensure its continued availability and integrity.		

<b>Network Security Management</b>	Network controls	Networks shall be managed and controlled to protect information in systems and applications.		
	Security of network services	Security mechanisms, service levels, and management requirements of all network services shall be identified and included in network services agreements, whether these services are provided in-house or outsourced.		
	Information transfer policies and procedures	Formal transfer policies, procedures, and controls shall be in place to protect the transfer of information using all types of communication facilities.		
<b>Operational</b>	Documented operating procedures	Operating procedures shall be documented and made available to all users who need them.		
	Change management	Changes to consultant, business processes, information processing facilities and systems that affect information security shall be controlled.		
	Capacity management	The use of resources shall be monitored and tuned, and projections made of future capacity requirements to ensure the required system performance.		
	Controls against malware	Detection, prevention, and recovery controls to protect against malware shall be implemented, combined with appropriate user awareness.		
	Information backup	Backup copies of information, software, and system images shall be taken and tested regularly in accordance with an agreed backup policy.		
	Event logging	Event logs recording user activities, exceptions, faults, and information security events shall be produced, kept, and regularly reviewed.		
	Protection of log information	Logging facilities and log information shall be protected against tampering and unauthorized access.		
	Clock Synchronization	The clocks of all relevant information processing systems within an organization or security domain shall be synchronized to a single reference time source.		
	Management of technical vulnerabilities	Information about technical vulnerabilities of information systems being used shall be obtained in a timely fashion, consultant's exposure to such vulnerabilities evaluated and appropriate measures taken to address the associated risk.		
<b>Information Security Incident Management</b>	Responsibilities and procedures	Management responsibilities and procedures shall be established to ensure a quick, effective, and orderly response to information security incidents.		
	Reporting information security events	Information security events shall be reported through appropriate channels as quickly as possible.		

	Reporting information security weaknesses	Employees and contractors using consultant's information systems and services shall be required to note and report any observed or suspected information security weaknesses in systems or services.		
	Response to information security incidents	Information security incidents shall be responded to in accordance with the documented procedures.		
	Learning from information security incidents	Knowledge gained from analyzing and resolving information security incidents shall be used to reduce the likelihood or impact of future incidents.		

*(The rest of this page is left intentionally blank)*

## **EXHIBIT C AGREEMENT FOR SERVICES**

THIS IS THE GENERAL FORM AND CONTENT OF THE CONTRACT LACERA INTENDS TO USE. IN SUBMITTING A PROPOSAL WITHOUT COMMENT ON THE CONTRACT, THE BIDDER WILL BE DEEMED TO HAVE AGREED TO EACH CLAUSE IN THE AGREEMENT BELOW (AND TO NOT SEEK ANY MODIFICATIONS TO THE AGREEMENT), UNLESS BIDDER'S PROPOSAL IDENTIFIES AN OBJECTION OR INCLUSION, SETS FORTH THE BASIS FOR THE OBJECTION OR INCLUSION, AND PROVIDES SUBSTITUTE LANGUAGE TO MAKE THE CLAUSE ACCEPTABLE TO BIDDER.

LACERA RESERVES THE UNILATERAL RIGHT IN ITS SOLE DISCRETION TO MAKE CHANGES TO THE CONTRACT PRIOR TO EXECUTION, WHICH CHANGES WILL NOT PROVIDE BIDDER WITH AN OPPORTUNITY TO MAKE FURTHER CHANGES TO THE OTHER TERMS OF THE CONTRACT.

### **CONTRACT FOR CASE MANAGEMENT SOFTWARE SOLUTION IMPLEMENTATION**

This Contract for Case Management Software Solution Implementation ("Contract") is made and entered into by and between Los Angeles County Employees Retirement Association ("LACERA") and [NAME] ("Vendor") and is effective as of the date shown in Section 5.

#### **Recitals**

LACERA seeks the services of a company that offers a low code Case Management Software Solution that seamlessly integrates with LACERA's Pension Administration System.

Vendor represents that they offer the Case Management Software Solution that LACERA seeks.

#### **Contract**

##### **1. Services to be Provided.**

1. Vendor agrees to perform the services ("Services") described in the Statement of Work ("Statement of Work") attached to this Contract as Attachment A.

2. Vendor agrees to perform the Services at LACERA's offices, and with LACERA's consent, via telephone or email, and when

appropriate, at a location of Vendor's choice.

3. All writings prepared or furnished by Vendor to LACERA in the performance of this Contract shall be the exclusive property of LACERA and may be used by LACERA, as LACERA deems appropriate.

4. Vendor's quality of service will be at least equivalent to that which Vendor provides to other clients it serves in the same capacity. Vendor will be held to the same standard of care, skill, prudence, and diligence that applies to other experts practicing in a like enterprise.

2. Independent Contractor.

1. Vendor agrees to perform the Services as an independent contractor and agrees they will be acting at all times as such. Neither party intends, and this Contract may not be construed, to create any relationship of agent, servant, employee, partnership, joint venture, or association between Vendor and LACERA. Vendor is not and will not be deemed to be for any purpose (including, without limitation, Workers' Compensation) an employee of Los Angeles County (the "County"). Vendor is not entitled to any rights, benefits, or privileges of County employees. Vendor is not eligible to participate in any insurance, savings, pension, or deferred compensation offered by LACERA or the County.

2. Vendor has no power or authority to assume or create any obligation or responsibility, express or implied, on behalf of LACERA or the County, or to bind LACERA or the County in any way whatsoever.

3. Vendor accepts full and complete responsibility for filing all tax returns and paying all taxes, which may be required, or due for payments received from LACERA under this Contract. LACERA will memorialize payments for Vendor's services on a Form 1099.

4. Vendor represents and warrants that they comply with all applicable federal, state, and local laws, including without limitation, those laws respecting business licenses, withholding, reporting, and payment of taxes. Vendor further represents and warrants that they will report any income accruing to him from this Contract to the appropriate taxing authorities.

3. LACERA's Project Management Office.

LACERA's Project Management Office, composed of the PMO Head and Project Manager has responsibility for determining whether the Services are performed to LACERA's satisfaction. LACERA's PMO Head is Celso Templo and Project Manager is Michael Dozier. Correspondence can be sent to the following email address caseManagementRFP@lacera.com.

#### 4. Indemnification and Insurance.

4.1 Vendor shall indemnify, defend and save harmless LACERA, its agents, officers and employees from and against any and all liability, damage, suit, cost of suit, or expense, including defense costs and attorney's fees, arising out of or connected with claims for damages of any nature whatsoever arising from or connected with Vendor's operations or its services, including, without limitation, claims for bodily injury, death, personal injury, or property damage, including damage to Vendor's property.

4.2. Without limiting Vendor's obligations to indemnify LACERA, Vendor will provide and maintain at its own expense during the term of this Contract the programs of insurance programs specified in this Contract. Such insurance will be primary and not contributing with any other insurance of self-insurance programs maintained by LACERA, and Vendor agrees to provide and maintain such insurance at its own cost and expense.

4.2.1 Certificate(s) or other evidence of coverage satisfactory to LACERA shall be delivered to prior to commencing services under this Contract and annually thereafter to:

James  
Beasley  
LACERA  
300 N. Lake Avenue, Suite 650  
Pasadena, CA 91101-4199

4.3 Such certificates or other evidence shall:

4.3.1 Specifically identify this Contract.

4.3.2 Clearly evidence all coverages required in this Contract.

4.3.3. Contain the express condition that LACERA is to be given written notice by mail at least 45 days in advance of cancellation for all policies, or, alternatively, in the event the insurers that otherwise provide satisfactory insurance hereunder do not assume third-party notification provisions, Vendor hereby agrees to notify LACERA at least 45 days in advance of any cancellation of any of the policies provided for herein.

4.3.4 Include copies of the additional insured endorsement to the commercial general liability policy, adding that LACERA, its trustees, officers, and employees as insureds for all activities arising from this Contract.

4.3.5 Self-Insured Retentions must be declared to and approved by the LACERA. LACERA may require Vendor to purchase coverage with no retention or provide proof of ability to pay losses and related investigations, claim administration, and

defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention will be satisfied by the named Vendor

4.3.6 LACERA reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

4.4 Insurer Financial Ratings. Insurance is to be provided by an insurance company acceptable to LACERA with an A.M. Best rating of not less than A-, X, unless otherwise approved by LACERA.

4.5 Failure to Maintain Coverage. Vendor's failure Vendor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to LACERA, shall constitute a material breach of the contract upon which LACERA may immediately terminate or suspend this Contract. LACERA, at its sole option, may obtain damages from Vendor resulting from said breach.

4.6 Compensation for LACERA Costs. In the event that Vendor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to LACERA, Vendor shall pay full compensation for all costs incurred by LACERA.

4.7 Cooperation Regarding Insurance. LACERA may elect to procure insurance against loss or damage it may sustain in connection with Vendor's performance under this Contract. Vendor will promptly cooperate with any reasonable request for information regarding Vendor which is required to obtain such insurance.

4.8 Survival of Obligations. Vendor's obligations under this Section 4 shall survive expiration or termination of this Contract.

4.9 Commercial General Liability. Vendor shall provide and maintain a Commercial General Liability insurance policy, which names LACERA as additional insured. Such policy shall cover legal liability for bodily injury and property damage arising out of Vendor's business operations and services that Vendor provides pursuant to this Contract. Such policy shall include, without limitation, endorsements for Property Damage, Premises-Operations, Products/Completed Operations, Contractual, and Personal/Advertising Injury with a limit of at least \$1,000,000 per occurrence and an annual aggregate of at least 2,000,000. If such insurance is written on a Claims Made Form, such insurance shall be endorsed providing an extended reporting period of not less than five (5) years following termination or expiration of this Contract.

4.10 Auto Liability. Vendor shall provide and maintain a comprehensive auto liability insurance policy endorsed for all "owned", "non-owned", and "hired" vehicles, or coverage for any "auto", with a combined single limit of not less than One Million Dollars (\$1,000,000) per accident.



4.11 Workers' Compensation. Vendor shall bear sole responsibility and liability for furnishing Workers' Compensation benefits to Vendor's employees for injuries arising from or connected with any services provided to LACERA under this Contract. Vendor shall provide and maintain a program of Workers' Compensation, in an amount and form to meet all applicable statutory requirements. In all cases, worker's compensation insurance also shall include Employer's Liability Insurance with limits of not less than \$1,000,000, each accident, and \$1,000,000, disease, covering all of Vendor's employees.

4.12 Errors and Omissions. Vendor shall provide and maintain insurance covering liability arising from any error, omission, negligent or wrongful act of the Vendor, its officers, employees or Agents, with limits of at least \$1,000,000 per claim and an annual aggregate of at least \$2,000,000. The coverage also shall provide an extended one-year reporting period commencing upon termination or cancellation of this Contract.

4.13 Cyber Liability Insurance. Without limiting any of the obligations or liabilities of Vendor, Vendor shall carry and maintain, at its own expense including any applicable deductibles or retention, Cyber Liability insurance with limits of not less than \$2,000,000 for each occurrence and an annual aggregate of \$5,000,000 covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy coverage shall include, but not be limited to:

4.13.1 Privacy Liability Coverage. This coverage shall include LACERA and its members for breaches of their private information in the case of a data breach.

4.13.2 Notification Costs. This coverage shall cover the costs of notifying third parties and LACERA members potentially affected by a data breach.

4.13.3 Crisis Management. This coverage shall include the costs of managing the public relations outfall from most data breach scenarios.

4.13.4 Credit/Identity Monitoring. This coverage shall include coverage for affected members for at least 24 months or the minimum legally required period, whichever is longer.

4.13.5 Theft and Fraud Coverage. This coverage shall include the costs of theft or destruction of the LACERA's data and theft of funds.

4.13.6 Network and Business Interruption. This coverage shall include any expense due to an intentional interruption of the LACERA's computer systems.

4.13.7 Data Loss and Restoration. This coverage shall include the costs

of diagnosing and repairing the cause of the loss and restoring all data.

5. Term.

The term of this Contract begins on [DATE] (the "Start Date"), and unless terminated for convenience, ends on the earlier of (i) full performance of the Services by Vendor and acceptance by LACERA or [ONE YEAR] after the Start Date. This Contract automatically renews up to four times for subsequent and successive one-year periods under the same terms, conditions and compensation, unless either party delivers its written request for changes not less than ninety (90) days prior to the end of the then current term of the Contract. Neither party is required to renew or extend this Contract.

6. Non-Exclusive Services.

This Contract is not exclusive. Vendor has the right to perform services for others during the term of this Contract, but Vendor agrees not to engage in any business, work or services of any kind under contract, or otherwise, for any person, organization or agency, which in the opinion of LACERA is detrimental to the interests of LACERA or that would materially interfere with the performance of the Services. Vendor agrees to disclose such information regarding business, work or services they perform on behalf of any person, organization or agency as LACERA may reasonably require verifying Vendor's compliance with this Section.

7. Compensation.

LACERA agrees to pay Vendor according to the Fee Schedule attached as Attachment B for performing the Services. Vendor's expenses are included in the compensation described in Attachment B and therefore Vendor is not entitled to any separate reimbursement for any expenses incurred by it in discharging its duties under this Contract, unless otherwise agreed by LACERA.

8. Invoices.

Vendor agrees to submit invoices to LACERA's Project Manager, in arrears, by the tenth day of each calendar month for Services performed during the previous calendar month. Each invoice must (a) describe in detail the Services performed and expenses incurred by Vendor during the invoice period, (b) show the cumulative charges year-to-date (based on a fiscal year beginning July 1, for all Services and expenses, and (c) include such other information as LACERA may reasonably request. Each invoice will be payable within thirty days of receipt by LACERA. If LACERA's Project Manager disputes any portion of an invoice, however, LACERA will pay the undisputed portion only and notify Vendor in writing of the disputed portion. Vendor and LACERA agree to act in good faith to resolve such disputes.

9. Contract Not Assignable.

Vendor may not assign any of its rights, duties, or obligations under this Contract without the prior written consent of LACERA, which LACERA may grant or withhold in its sole discretion.

## 10. Confidentiality.

10.1 Confidential Information. Vendor understands that, during the performance of this Contract, it will have access to confidential and proprietary LACERA information, policies and procedures, benefits, business practices, and technology concerning LACERA's operations, as well as sensitive confidential member information and business critical non-member information (collectively, "Confidential Information"). For clarity, Confidential Information includes all information of any and every kind provided to Vendor, regardless of whether it may previously have been disclosed by LACERA or others in other contexts, in that LACERA needs to know to whom, when, where, and how all of its information has been disseminated and reserves to itself the right to determine to whom, when, where, and how such information is released. Confidential Information further includes all information related in anyway to LACERA provided to Vendor.

Confidential Information may be provided to Vendor or generated or stored by Vendor in written, electronic, verbal, and all others forms. Vendor understands and agrees that:

10.1.1 Vendor shall not disclose Confidential Information to any person within its organization except those persons required to perform the services of the Contract.

10.1.2 Vendor shall not disclose Confidential Information to any third party without LACERA's advance written approval.

10.1.3 Vendor's agreement not to disclose Confidential Information includes an agreement not to disclose information even on a no-names basis.

10.1.4 Vendor will use best efforts, including but not limited to the highest level of care Vendor accords to its own most sensitive information and the most sensitive information of its other clients, to secure and maintain the confidential nature of the Confidential Information.

10.1.5 Vendor will not use the Confidential Information for any purpose other than to perform the services required by this Contract. This confidentiality provision will survive the termination of the Contract.

## 11. Nondiscrimination.

Vendor hereby promises and agrees that it will comply with Subchapter VII of the Civil Rights Act of 1964, 43 USC Section 2000e through 2000e (17), to the end that

no person shall, on grounds of race, creed, color, sex, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract, or under any project, program or activity supported by this Contract.

Vendor shall take affirmative action to ensure that applicants and employees are treated in an unbiased manner without regard to their race, color, religion, sex, age, ancestry, or national origin, physical or mental handicap, marital status, or political affiliation. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

#### 12. Compliance with Laws.

Vendor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, and directives, and all provisions required to be included in this Contract are incorporated by this reference. Vendor shall indemnify and hold LACERA harmless from any loss, damage or liability resulting from a violation by Vendor of any such laws, rules, regulations, ordinances, and directives.

#### 13. Conflict of Interest.

No officer or employee of LACERA whose position enables him or her to influence the award of this Contract or any competing agreement, and no spouse or economic dependent of such officer or employee shall be employed in any capacity or in any way remunerated by Vendor or have any direct or indirect financial interest in this Contract or in Vendor.

#### 14. Modifications.

Any modification to this Contract must be in writing, signed by Vendor and LACERA, to be effective.

#### 15. Termination for Default.

Services performed under this Contract may be terminated in whole or in part by LACERA providing to Vendor a written Notice of Default if (1) Vendor fails to perform the services within the time specified in this Contract or any extension approved by LACERA, or (2) Vendor fails to perform any other covenant or condition of this Contract, or (3) Vendor fails to make progress so as to endanger its performance under this Contract.

Vendor shall have ten (10) calendar days from the date of the Notice of Default in which to cure the Default(s), however, in its sole discretion, LACERA may extend this period or authorize a longer period for cure.

Without limitation of any additional rights or remedies to which it may be entitled, if LACERA terminates all or part of the services for Vendor's Default, LACERA, in its sole discretion, may procure replacement services and Vendor shall be liable for all excess costs incurred by LACERA in connection with those replacement services, as determined by LACERA in its sole discretion.

If it is determined that Vendor was not in Default under the provisions of this Contract, or that the Default was excusable, then the rights and obligations of the parties shall be the same as if the Notice of Termination had been issued under Section 16. Termination for Convenience.

#### 16. Termination for Convenience.

Services performed under this Contract may be terminated in whole or in part at any time LACERA or Vendor deems that termination is in its best interest. LACERA or Vendor shall terminate services by delivering a written Termination Notice which specifies the extent to which services are terminated and the effective termination date.

After receiving a Termination Notice under this section, and unless otherwise expressly directed by LACERA, Vendor shall take all necessary steps and shall stop services on the date and to the extent specified in the Termination Notice and shall complete services not so terminated.

#### 17. SOC-2 Type 2

SOC-2 Type 2 Report. The Vendor shall have an annual audit performed by an independent audit firm. The audits shall include the Vendor's and any subcontractor's handling of Confidential Information and shall address all areas relating to information technology security and operational processes to provide such security. The audits shall be performed in accordance with the guidance set forth in Reporting on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, or Privacy (SOC-2 Type 2), as published by the American Institute of Certified Public Accountants (AICPA) and as updated from time to time, or according to the most current audit guidance promulgated by the AICPA or similarly recognized professional organization, as agreed to in writing by LACERA. The audit shall assess the security of information technology security and operational process to provide such security as follows:

17.1 The type of audit to be performed in accordance with the Guidance is a SOC 2 Type 2 Audit (referred to as the "SOC 2 Audit" or "SOC 2 Report"). The initial SOC 2 Audit shall be scheduled and completed within six months of executing the Contract. All subsequent SOC 2 Audits that are arranged after this first audit shall be performed and submitted annually.

17.2 The SOC 2 Audit shall report in writing on the Vendor's and any subcontractor's system(s) and the suitability of the design and operating effectiveness

of controls of the information functions and/or processes to meet the requirements of the Contract, including these security requirements.

17.3 The scope of the SOC 2 Report shall include work performed by any subcontractor that provide essential support to the Vendor for the information functions or processes for the services offered to LACERA under the Contract. The Vendor shall ensure the audit includes all subcontractors operating in the performance of the Contract.

17.4 All SOC 2 Audits, including those of the Vendor and any subcontractors, shall be performed at no additional expense to LACERA.

17.5 The Vendor and all relevant subcontractors shall promptly provide a complete copy of the final SOC 2 Report(s) to the Project Manager upon completion of each SOC 2 Audit engagement.

17.6 The Vendor shall provide to LACERA, within 30 calendar days of the issuance of each SOC 2 Report, a documented corrective action plan that addresses each audit finding or exception contained in a SOC 2 Report. The corrective action plan shall identify in detail the required remedial action by the Vendor or subcontractor(s) along with the implementation date(s) for each remedial action.

17.7 If the Vendor or any subcontractor fails to obtain an annual SOC 2 Report, LACERA shall have the right to retain an independent audit firm to perform an audit engagement of a SOC 2 Report. The audit will include the information functions and processes utilized or provided by the Vendor and any relevant subcontractor under the Contract. The Vendor and any subcontractor agree to allow the independent audit firm to access its facilities for purposes of conducting this audit engagement. They will provide the necessary support and cooperation to the independent audit firm that is required to perform the audit engagement of the SOC 2 Report. LACERA will invoice the Vendor for the expense of the SOC 2 Report(s) or deduct the cost from future payments to the Vendor.

## 18. Disaster Recovery & Business Continuity

Vendor will implement and maintain disaster recovery and business continuity procedures that are reasonably designed to recover data processing systems, data communications facilities, information, data, and other business-related functions of LACERA in a manner and time frame consistent with legal, regulatory and business requirements applicable to LACERA.

## 19. Data Breach Verification

19.1 Vendor shall provide an annual written, signed attestation that to the best of its knowledge, no data breach, hacking, or incidental divulging of Member Records has occurred and that no Member Record has been compromised. The attestation shall verify that adequate internal policies and procedures exist to prevent data theft and

unauthorized access.

19.2 Vendor shall provide an annual system penetration test in support of the attestation made in item A above. Vendor shall provide the results of penetration tests to LACERA.

19.3 Vendor shall comply with California Civil Code § 1798.29(e) and California Civil Code § 1798.82(f). In the event of a security breach of more than 500 records, the Vendor shall electronically submit a single sample copy of that security breach notification, excluding any personally identifiable information, to the Attorney General.

19.4 Vendor shall notify any California resident whose unencrypted personal information, as defined, was acquired, or reasonably believed to have been acquired, by an unauthorized person as required by California Civil Code § 1798.29(a) and California Civil Code § 1798.82(a).

19.5 Notwithstanding the legal notification requirements in the preceding paragraphs, Vendor will immediately notify LACERA upon its discovery of any incident or data breach.

## 20. Entire Contract and Severability.

This document (including Attachments A and B) constitutes the final, complete, and exclusive statement of the terms of the Contract between LACERA and Vendor for the services to be performed and supersedes all prior and contemporaneous understandings or Contracts of the parties. The provisions of this Contract are severable, and if any one or more provisions may be determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions or parts thereof shall nevertheless be binding and enforceable and the invalid, illegal or unenforceable provision shall be replaced by a mutually acceptable valid, legal, and enforceable provision which comes closest to the intent of the parties.

## 21. Governing Law and Venue.

21.1 This Contract shall be governed by, and construed and enforced in accordance with, the laws of the State of California without regard to principles of conflicts of laws.

21.2 Any party bringing a legal action or proceeding against any other party arising out of or relating to this Contract or the transactions it contemplates (whether in contract, tort, equity, or otherwise), shall bring the legal action or proceeding in either the United States District Court or in any court of the State of California sitting in Los Angeles County.

21.3 Each party to this Contract consents to the exclusive personal and subject

matter jurisdiction of any United States District Court sitting in the County of Los Angeles and any court of the State of California sitting in the County of Los Angeles, and their appellate courts for the purpose of all legal actions and proceedings arising out of or relating to this Contract or the transactions it contemplates, including all claims of any nature or type, whether in contract, tort, statutory, equitable, legal, or otherwise.

22. Attorney's Fees.

In the event of litigation between the parties concerning this Contract, the prevailing party shall be entitled to recover reasonable costs and expenses incurred therein, including without limitation attorney's fees. These expenses shall be in addition to any other relief to which the prevailing party may be entitled and shall be included in and as part of the judgment or decision rendered in such proceeding.

23. Interpretation.

Vendor acknowledges they have been given the opportunity to have counsel of their own choosing to participate fully and equally in the review and negotiation of this Contract. The language in all parts of this Contract shall be construed in all cases according to its fair meaning, and not strictly for or against any party hereto. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Contract.

24. Waiver.

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, or preceding or subsequent, nor shall any waiver constitute a continuing waiver unless the writing so specifies.



IN WITNESS WHEREOF, Vendor has signed this Contract, and the [SIGNATORY TITLE] of LACERA has signed this Contract, effective as of the date indicated in Section 5.

LACERA: [Vendor Name]:

Los Angeles County  
Employees Retirement  
Association

By: \_\_\_\_\_ [TITLE] [Authorized Signatory Title]

Address for notices: Address for

notices:[NAME]  
LACERA  
300 N. Lake Avenue, Suite  
[XXX]Pasadena, CA 91101

Approved as to form:

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John Harrington  
LACERA Staff  
Counsel

**FOR INFORMATION ONLY**

February 21, 2022

TO: Operations Oversight Committee  
Alan Bernstein, Chair  
Herman B. Santos, Vice Chair  
Keith Knox  
Antonio Sanchez  
JP Harris, Alternate

FROM: Luis Lugo, Deputy Chief Executive Officer *LL*  
JJ Popowich, Assistant Executive Officer *JJ*  
Laura Guglielmo, Assistant Executive Officer *LG*

FOR: March 2, 2022 Operations Oversight Committee Meeting

SUBJECT: **LACERA OPERATIONS BRIEFING**

The purpose of this briefing is to share insights on staff and divisional activities within LACERA's Operations and Administration components. We'll provide updates on goals, including the status of our Strategic Plan Goals and Operations Improvement initiatives. Many of the items highlighted may recur in subsequent briefings or may result in a future comprehensive Operations Oversight Committee (OOC) presentation.

**Update on March Madness Season**

We refer to the period beginning in December through the end of March as "March Madness" because retirements tend to spike during this period as members disproportionately elect to retire in time to be eligible for any April 1<sup>st</sup> cost-of-living adjustment (COLA) that will be approved. In years past we shared these updates in the CEO Report. We will now be sharing our updates on this season in the Operations Briefing Report.

Our Process Management Group has been working hard to develop our metrics and data driven management processes to provide us with a steady overview of how our Member Operations Group is addressing member requests. This includes how we are tracking our progress during March Madness. We are pleased to introduce new reports that provide us with greater insight into our processing.

*Production Trends*: The first chart below provides us with two key metrics: 1) how many retirement elections are we receiving and processing each month (bottom chart), and 2) how does this compare to last year (top chart). One caveat as you review this chart is that the blue bars are the "date received" which is what we are focusing on in this discussion. The grey bars are work completed. Retirement elections are processed on a triaged basis – meaning we review every election and determine in which order they

should be processed based on the member's elected date. The blue bars represent the number of elections received per month compared to the prior year and, as expected, we are seeing a greater number of retirements this year than we did last year (blue bars in both charts). It should also be noted this data represents elections and the final actual retirement figures may change as members can rescind their elections before their retirement date. It also does not include disability retirements which are handled separately.

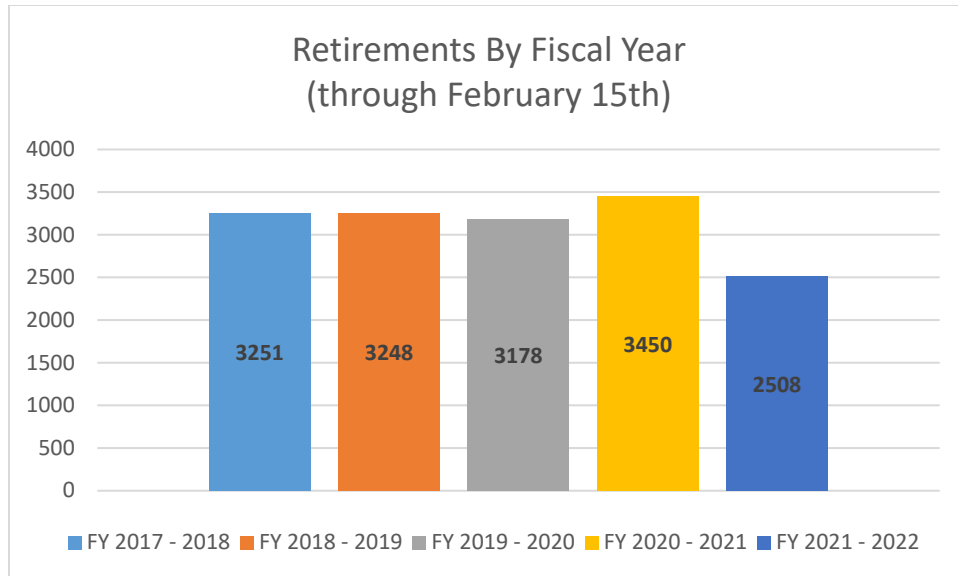


Our traditional March Madness season runs from December through March, but we also often look at the Extended March Madness season which is from November to March. The chart below gives you a quick glance at the difference between this year and last year for both periods:

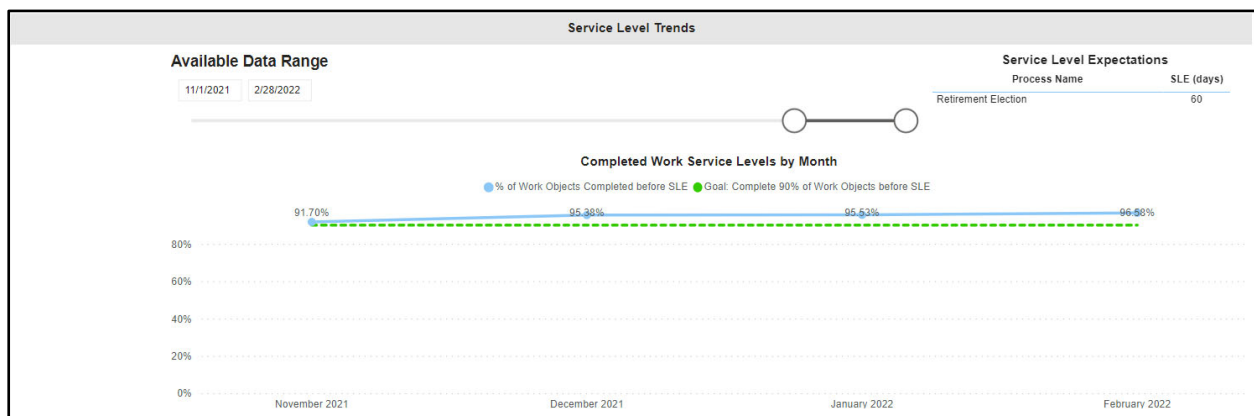
Retirement Election Production Rate			
	2020-2021	2021 - 2022	CHANGE
Nov	516	712	196
Dec	828	973	145
Jan	913	940	27
Feb	N/A	N/A	N/A
Mar	N/A	N/A	N/A
<b>Traditional March Madness</b>	<b>1,741</b>	<b>1,913</b>	<b>172</b>
<b>Extended Madness</b>	<b>2,257</b>	<b>2,625</b>	<b>368</b>

Based on date received and date completed. Does not reflect "date of retirement"  
 \*Data only reflect's whole months.

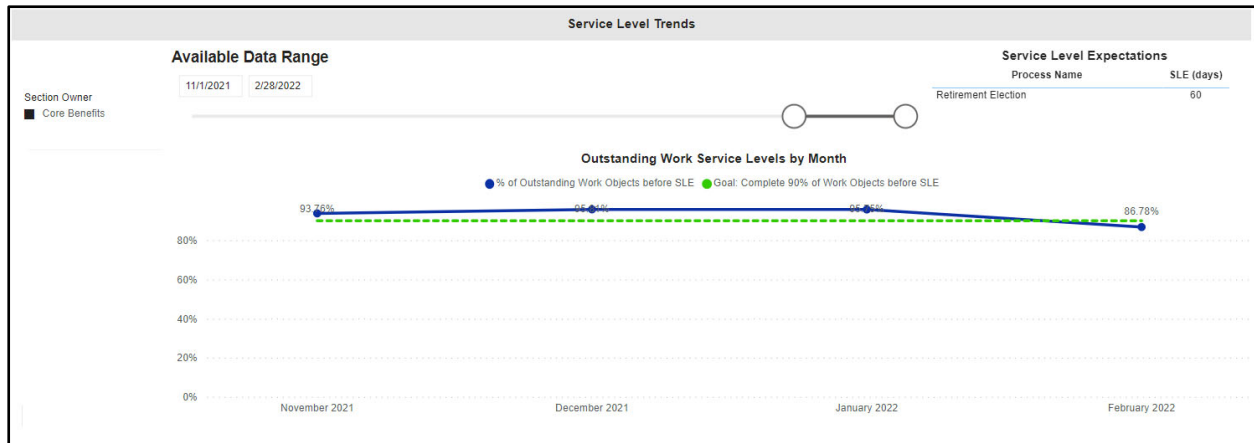
We are also including a snapshot of where we are in terms of completed retirements for the fiscal year in relation to the last five years. This chart represents members who retired through February 15<sup>th</sup>. As we look at this chart, please remember that we still have 4 and a half months to go for this fiscal year.



**Service Level Expectations:** Meeting our Service Level Expectations (SLE) is critical to ensuring the member retirement experience journey meets their expectations. Our goal is to process 90% of all retirement applications within 60 days of receipt and to process their elections before or as close to their elected retirement date as possible (please keep in mind that some members submit their elections within days of their expected retirement date). The chart below indicates we are exceeding our SLE for both the Extended and Traditional March Madness periods:



Finally, we feel it's also important to share trends for work that is still in process. The following chart shows a slight dip below service levels expectations we are generally on track to meet our SLE for the work that is still in progress.



Our Benefits team uses this data to determine how we allocate our resources. As you can see, we are seeing a slight dip below the expected service level for work still in progress. This is expected given the increase in the number of retirement elections. Benefits will assign additional staff, when possible, to the retirement election queue to help keep us on track as we move into March. We also pull in additional resources from other work units in Benefits and from Member Services if needed (a positive benefit of our training program which trains all Benefits and Member Services staff on back of the house processing).

### Update on Our Focus on Strategic Plan Goals and Operations Improvement

The Workgroups focusing on the top four Strategic Plan goals continue to meet regularly to move our goals forward. Here is a summary of the status of their efforts:

- Case Management Project Update:** The Case Management System Request for Proposal (RFP) was approved by the Board of Retirement (BOR) and published on lacera.com on October 6, 2021. On October 29, 2021, LACERA held a virtual vendor conference to provide detailed information to all vendors that had submitted their official intent to respond to the RFP and had signed a Non-Disclosure Agreement. Fifty-five representatives from seventeen companies attended the conference where LACERA technical staff and subject matter experts reviewed the three processes that are included in Phase I of the project, as well as LACERA's Enterprise Pension Administration Architecture. The LACERA team received 13 vendor proposals on November 19, 2021. We have selected three vendors as finalists. Each finalist will present a two-hour demonstration of their proposed solution in the next three weeks. We expect to recommend a final vendor for consideration by the BOR by April 2022.
- Retirement Estimate Redesign Project:** The new Retirement Application and Summary is on hold pending the full re-opening of the Member Service Center (MSC). The original plan for the redesigned application, which can best be described as an informative retirement prospectus designed to provide members with all the information they need to make an informed decision about their

retirement, was to test the document and collect feedback from members that would be used to refine the new document and process before implementation. The team is working on plans to begin testing the new application in the Member Service Center.

Phase II of this project will be to develop the on-line election process. We will set a deadline for the completion of Phase II as we near the end of Phase I.

- **PEPRA Implementation:** This workgroup continues reviewing all the progress made to date on the implementation of the Public Employees' Pension Reform Act of 2013 and subsequent updates passed since then. The Workgroup's focus is to address County payroll code issues with the Auditor-Controller (AC). As you may recall, for LACERA to readily assess what portion of an employee's total compensation is pensionable or not, the payroll code 099 must be further dissected so it is easier to identify the pay codes that are embedded in this code.

The LACERA team met to review our progress on this project in preparation for re-engaging the County now that they have completed their year-end processing. Additionally, we briefly discussed the issue with representatives from the Auditor-Controller's Office regarding our need to continue the engagement. As previously reported, the AC has determined that it is not feasible to break the 099-pay code apart so that each embedded pensionable and non-pensionable pay codes are reported to LACERA separately. However, they are making programming changes that will allow LACERA to identify pay code changes that occur during a payroll cycle. Currently, the pay code data shared with LACERA is a snapshot of the member's pay at the end of the payroll period. After further examination, our team determined that they may be able to use some of the data the County is providing to systematically determine what is included in pay code 099. However, the discrepancies we are seeing in our calculations may come from changes that occur in the middle of the accrual period. In other words, a member may receive pay for a non-pensionable item for part of the pay period, and not the entire pay period. This throws off our calculations using our current method for filtering out pay codes.

The programming changes planned by the AC may provide us with the ability to see those changes mid-pay period and this may allow us to more accurately filter out non-pensionable portions of code 099. The team is reaching out to our AC contacts for a date when we may see a test file. We continue to work with them to resolve this critical issue and will update the Committee on our efforts.

There are no new updates on the Workgroup focusing on the redesign of the Annual Benefit Statement (ABS). Our current statement only supports legacy plan members and is not supported for PEPRA members. Considerable progress was already made on the redesign efforts by the Communications team. We are working to get a better timeline when we can bring an RFP to the Operations Oversight Committee.

**Progress Update on the “100-Day Management Report to the Trustees of the Board of Retirement and Board of Investments”**

This section will discuss some of the efforts in place to move forward on the recommendations in the 100-Day report. It may not address all progress but will focus on certain goals.

- **Communications: LACERA.com Statistics and User Analytics**

Firmly in the new year, LACERA.com is performing strongly and has shown to be resilient over many months of continued and varied use by members. Now that the holidays are over, visitor traffic has increased dramatically, and we can see the success of the March Madness retirement season.

Below are supporting statistics covering the end of Q4 2021 and the beginning of Q1 2022.

**Jump in User Traffic**

<b>First Time Visitors</b>	<b>Traffic</b>	<b>Average Visitors</b>	<b>Traffic</b>
<b>November</b>	<b>25,269</b>	<b>November</b>	<b>1,031</b>
<b>December</b>	<b>26,519</b>	<b>December</b>	<b>1,060</b>
<b>January</b>	<b>39,310</b>	<b>January</b>	<b>1,518</b>
<b>Total</b>	<b>91,098</b>	<b>Average</b>	<b>1,203</b>

The highest number of visitors for this month was 4,098 on January 27 due to the joint BOI and BOR meeting. The second highest visitors were on January 12 when we had 3,554 visitors due to the BOI meeting.

In December, we had a total of 133,866 page views and 1,667 people visited the sign-up page for My LACERA. These numbers are consistent with previous months, demonstrating the stability of our user-base and platform.

Below are the top five pages from the month of December.

**Top Five LACERA.com Page Views**

<b>LACERA Pages</b>	<b>Views</b>
<b>Home Page</b>	<b>71,642</b>
<b>Retiree Listings</b>	<b>4,203</b>
<b>Sign Up for My LACERA</b>	<b>3,691</b>
<b>Part B Premium</b>	<b>2,382</b>
<b>Plan D Calculating Your Retirement Allowance</b>	<b>2,195</b>

We have also updated the topics on the “I would like to...” feature on our home page. These topics are determined by tracking the various ways members are

consuming our content and working with MSC to learn of member inquires. We are then able to make these topics more accessible through our homepage features.

**Home page “I Would Like To” Views  
 (Tiles updated for January)**

LACERA Pages	Views
See My COLA	1,634
Make an Appointment	1,329
Change my Tax withholdings	1,044
Apply for Survivor benefits	953
Printout a payday calendar	381

**Home page “I Would Like To” Views  
 (Tiles updated for December)**

LACERA Pages	Views
Apply for Survivor Benefits	598
Change My Tax Withholdings	465
Attend a Retirement Workshop	923
Change My Address/Name*	3
Print out a Payday Calendar	952

**Home Page Tile Views**

LACERA Pages	Views
My LACERA	3,691
Pre-Retirement Workshops	1,422
Careers	1581
Investments	966
Annual Reports	871
Forms & Publications	157

**Update on Other Projects**

Our goal is to continue to keep the Committee updated on other cross-functional teams that are working hard to provide improvements to LACERA’s operations and the services we provide to our members.

- Tax Table Changes for 2022 & a New Tax Withholding Form Coming Soon:**  
 The IRS published updated tax tables for 2022 which became effective January 1, 2022. We have updated LACERA.com with an announcement that the new tables may cause a slight change to some member’s net benefit amount. Additionally, we are beginning a process to prepare for a revised Federal Withholding Certificate for Pension & Annuity Recipients (commonly referred to as the W-4P tax withholding form). The IRS recently released a revised form and instructions for



2022 but is not requiring its use until the 2023 tax year. Our team has been working with tax counsel to understand the intricacies of the new form and determine what programming changes we will need to support the new form. Among the changes in the new form are a new default withholding amount if a member does not make an election (now single with no deductions, as opposed to married with three deductions previously). Since the form has only recently been finalized and since the IRS is not requiring its use until 2023, LACERA is advising members that we will continue to use and support the current version of the W-4P form. Additionally, since the changes require programming for LACERA to support, we will not be accepting any 2022 forms submitted. We posted a Q & A document on LACERA.com (also available through My LACERA) to explain how LACERA is adjusting to the new withholding guidance. We will be working on a communication plan to prepare members for the new withholding forms and rules later this year. One important and reassuring note: members who have already started receiving payments from LACERA before 2023 will not be required to file a new form if they wish to keep their current preferences. We will share more about our progress and our communication plans as we develop them.

- **COLA Bank Retroactive Changes:** In April of 2021 the Board of Retirement approved corrections to the COLA Accumulation Bank, which involved making retroactive corrections, recalculating benefit allowance amounts, and paying members retroactive benefits due to a discrepancy discovered in the COLA Accumulation bank. The first phase has been completed and members received their retroactive payments on July 15, 2021, via Direct Deposit.

The second phase of cases was completed, and members were notified of the retroactive payments in early September and payments were issued September 15<sup>th</sup>. The third phase of the project has been completed: 312 survivors of members who passed away prior to the COLA Accumulation Bank correction were paid a retroactive benefit owed to the deceased member. The retroactive payment was paid to the survivor via special one-time payment and was paid on November 15, 2021.

To date, LACERA has paid out just over \$3.7 million in retroactive COLA earnings. Of the 9,672 member and survivor accounts affected, 8,178 accounts have been systematically resolved, which represent all members and survivors currently in a pay status. The manual phase of the project, which includes 1,494 cases, began on December 16, 2021. Staff have manually computed COLAs and will begin making payments on March 15, 2022.

COLA Retro Project - Status as of 11/17/2021:		Last Report 9/10/2021		Current Report 02/22/2022	
Row Labels (Type, Status, Detail, Outstanding)		Count	%	Count	%
<b>Completed</b> (Member Paid - No Further Action Required)		7,864	81%	8,178	85%
<b>First Notification Sent</b> (Still Processing - Not Paid)		822	9%	508	5%
	<b>Active Payee - Member</b>	<b>439</b>	<b>5%</b>	<b>439</b>	<b>5%</b>
	Paying Split	206		206	
	<b>Active Payee - Survivor</b>	<b>383</b>	<b>4%</b>	<b>69</b>	<b>1%</b>
	Paying Split	9		9	
<b>Pending Notification</b> (Staff is Reviewing and Processing)		986	10%	986	10%
	<b>No Active Payees (Deceased)</b>	<b>726</b>	<b>7%</b>	<b>726</b>	<b>7%</b>
	<b>Active Payee - Member</b>	<b>145</b>	<b>2%</b>	<b>145</b>	<b>2%</b>
	Paying Split	3		3	
	<b>Active Payee - Survivor</b>	<b>115</b>	<b>1%</b>	<b>115</b>	<b>1%</b>
	Paying Split	<b>6</b>		<b>6</b>	
<b>Grand Total</b>		<b>9,672</b>	<b>100%</b>	<b>9,672</b>	<b>100%</b>

Systems and Benefits have been reviewing the root cause for the manual processing and are developing plans for how to redesign some portions of our pension administration system to help alleviate the need for manual processing for future projects.

As we discussed previously, we will be shifting focus from the COLA project to the Alameda Project. We will focus on the remaining cases in the COLA project once we have addressed the Alameda Project. By way of a reminder, this decision was made to limit the number of overpayments and associated interest that may have to be collected from some Alameda impacted members.

**Alameda Project Update:** In 2020, the California Supreme Court issued its decision in the Alameda County Deputy Sheriff's Association v. Alameda County Employees Retirement Association ("Alameda") challenging the constitutionality of changes passed in 2013 Assembly Bill 197, which amended the definition of compensation earnable, specifically excluding pay items previously included such as unused vacation, termination pay, in-kind payments, and payments for services rendered outside of normal working hours. The Court upheld constitutionality of the Legislature's actions. In February of 2021, the Legal Office notified the Board of Retirement that it had completed an initial review of LACERA legacy pay codes and determined that Standby Pay did not meet the expanded understanding of compensation earnable because of the Alameda Case.

- Staff have updated the salaries for 4,176 members to exclude Standby Pay and have computed the contributions on these earnings that occurred on or after January 1, 2013. Of those, 2,284 are actively employed contributory members who overpaid contributions. Actively employed members cannot receive a refund while in service and, instead, the overpaid contributions will be returned by suspending future contributions beginning with their March 30, 2022 salary (paid on April 15, 2022) until the balance has been depleted. Staff mailed 1,000 letters to the active members on February 11, 2022 and anticipate mailing the remaining 1,084 letters on February 25, 2022. A split mailing was used to prevent overwhelming the Member Services Call Center.
- Additionally, staff have identified 149 deferred and inactive members, most of whom will be entitled to a refund. We anticipate sending refunds toward the latter part of March with a letter that will give members instructions how to roll over the funds, if they prefer.
- The Systems Division is currently programming the changes that will be necessary for the retired population, which affects any members who retired on or after January 1, 2013, and their FAC included earnings for these pay codes. These members could have their benefits adjusted prospectively from August 30, 2020, following the court's decision.

The team working on this project have identified five groups of members who will be impacted by this project. We have created the chart below to keep you up to date on the progress of this project:

<b>Active Project Status</b>		Current Report 02/22/2022	
Row Labels (Type, Status, Detail, Outstanding)		Count	%
<b>Pending Notification</b> (Staff Reviewing and Processing)		3391	
<b>Active</b>		<b>2285</b>	<b>67%</b>
<b>Retired</b>		<b>847</b>	<b>25 %</b>
<i>Legal Split</i>		-	
<b>Deferred/Inactive</b>		150	<b>4%</b>
<b>Deceased</b>		<b>53</b>	<b>1%</b>
<b>Withdrawn</b>		56	<b>1%</b>
<b>Notification Sent</b>		-	
<b>Active</b>		1000	-
<b>Retired</b>		-	<b>0 %</b>
<i>Legal Split</i>		-	<b>0 %</b>
<b>Deferred/Inactive</b>		-	<b>0 %</b>
<b>Deceased</b>		-	<b>0 %</b>
<b>Withdrawn</b>		-	<b>0 %</b>
<b>Completed (Member Paid/Collection Scheduled)</b>			
<b>Grand Total</b>		3391	

- **CORE Benefits Training Class Preparation:** This 10-month series of courses is the key first step to training staff to fill the large number of vacant positions we have in Benefits and Member Services. On January 6, 2022, we welcomed our first CORE Benefits training class since the pandemic. This first class consists of 13 trainees who are destined to work in Benefits and Member Services once they complete the class. Most are new to LACERA but about three are transitioning from other LACERA divisions.

We are pleased to report that we started our second class consisting of 12 trainees on February 1, 2022. All trainees are scheduled to work in Benefits and Member Services.

- **Retroactive Payroll Adjustments:** We have reported over the last year about our ongoing efforts surrounding retroactive payroll adjustments and ensuring that the correct contributions are taken at the time the adjustments are made and that the Auditor-Controller has made adjustments which our testing confirms does deduct contributions from retroactive payroll adjustments. We have also implemented a regular testing process to ensure that the contributions continue to be taken when paid. While we have addressed this area prospectively, we still have a large backlog of previously identified retroactive payroll adjustments that have been identified over the last few years. Staff have been unable to process these due to the volume. We will share our proposed plan for addressing these shortly.
- **Information Systems:** Our Systems division continues to engage in various process improvement projects and initiatives aimed at securing our network, data, application, and overall system infrastructure. Three current initiatives led by Systems include:
  - **Enterprise WiFi Project** – Approved in the Fiscal Year 2020-21 budget adjustments by the BOR, the Systems Division is currently installing an enterprise WiFi network.

As of February 16, 2022, all fiber, cables, access points, and switches have been installed on all LACERA floors and four of five segmented networks have been configured and tested. We expect to complete the configuration of the final segmented network by the end of March 2022.

- **On-line Disability Retirement Application** – To facilitate member self-service, improve the member experience, and streamline the intake of disability retirement applications, the Systems division has been working jointly with the Disability Retirement division to develop an on-line disability retirement application on My LACERA.

As of February 16, 2022, the design and construction of the new disability retirement application has been completed. The next steps include final acceptance testing of the application, training for all Member Services staff

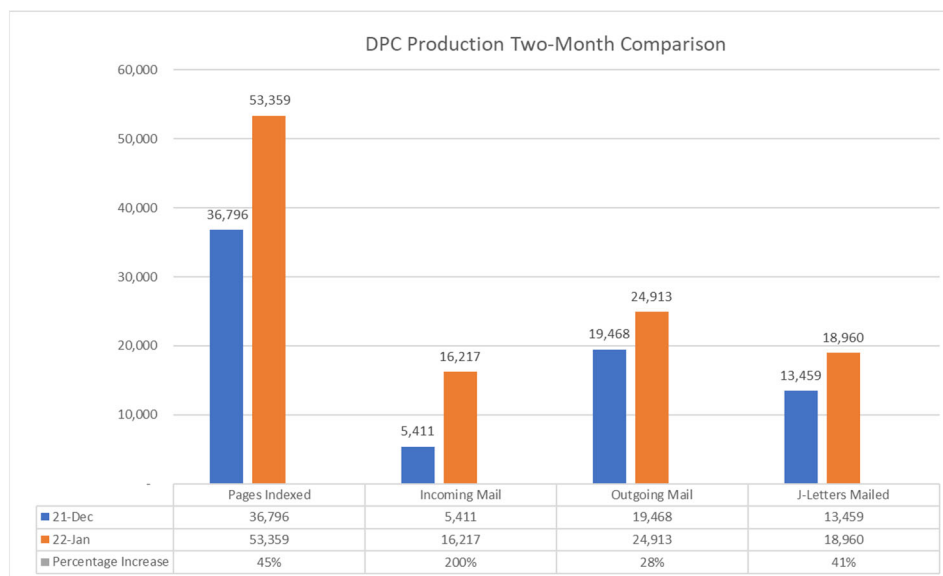
members, a soft roll out of the application, and finally a member communication campaign led by the Communications division. We expect the soft rollout to begin by the end of April 2022.

- **Board Room Audio/Visual Enhancements** – In preparation for a return to in person meetings, the audio and visual equipment in LACERA’s board room has been upgraded to a modern system to support hybrid board and committee meetings. The enhancements will allow for remote participation all while maintaining the current look, feel, and functionality of the current Zoom meetings.

As of February 16, 2022, the audio and visual enhancements include new 24” touchscreen monitors, dedicated, fixed cameras, and LED/touch switch microphones at each seated position. The touchscreen monitors will display video feeds from the fixed cameras as well as from participants attending remotely while enabling users to control all onscreen functions via touch. The microphone touch switches allow users to individually mute their microphone.

- **Administrative Services Division:** Our Administrative Services is a support division consisting of the Budget Unit; the Document Processing Center; the Procurement Unit, including Purchasing, Facilities, and Renovations; and the Risk Management Unit, which includes Business Continuity, Business Insurance, Contract Management, Health and Safety, and Records Management. Over the last month the division has led and supported the following initiatives:
  - The Budget Unit has completed meetings with all LACERA Division Managers and the Executive Team to discuss their divisional needs and their proposed 2022/2023 budgets. They are now compiling that data by division and preparing the proposed budget for presentation to the JOGC for review and feedback.
  - The 7th-floor renovation project for the Systems and Accounting Divisions is on track for a June 30, 2022 completion date, barring any supply chain issues. Floor plans are being finalized and furnishings will be ordered in March.
  - Effective January 17, 2022, the Los Angeles County Department of Public Health required all employers to provide N95, KN95, or medical-grade masks to all employees. In response and to comply with this mandate, LACERA has purchased and is providing N95 masks for LACERA staff to wear while working onsite. , The Health and Safety Unit is now testing KN95 and medical-grade masks to provide more options for staff since each type of mask fits differently. The Health and Safety Unit continues to conduct weekly COVID-19 health and safety inspections to identify potential hazards related to COVID-19 and to ensure adherence to all federal, state and local health and safety laws and requirements.

- o In January 2022, The Risk Management Unit released to the public an RFP for Insurance Brokerage Services. LACERA has received four bid proposals from high-profile brokerage firms. The proposals are being evaluated and scored by the RFP review team. This team consists of staff from the Executive Office, Legal, Systems, and the Administrative Services Divisions. We anticipate selecting a brokerage firm by March 4th, 2022.
- o The month of January is historically one of the busiest months for the Document Processing Unit as this is when most Medicare Part B documents are submitted, and there is an increase in the volume of incoming mail, imaged documents, and outgoing correspondence (J-letters). In January the DPC indexed 53,359 pages of member documents. This was a 45% increase over December 2021. The volume of incoming mail increased from 5,411 pieces of mail in December 2021 to 16,217 in January 2022. Finally, the volume of outgoing mail increased from 13,459 pieces in December 2021 to 18,960 in January 2022. (See Fig 1).



- o The DPC indexed 8,008 Medicare Part B documents and mailed out 11,982 Medicare Part B acknowledgement letters. The Medicare Part B acknowledgement letters accounted for approximately 42% of the J-letters processed in January. Although members can submit Medicare Part B documents electronically through the Member Portal, 67% of the documents were submitted by US mail.
- **Financial and Accounting Services Division** applies sound controls, accounting standards, and compliance with regulatory and statutory financial reporting mandates to LACERA’s assets, member payroll, and organization-wide financial transactions.
  - o *April Cost-of-Living Adjustment (COLA)*: The Government Code requires that the Board of Retirement (BOR) approve the annual cost-of-living changes which impacts LACERA retiree benefits payments. Staff tracks the

consumer price index (CPI) monthly and at the end of the year, agrees the December amount to the information published by the Bureau of Labor Statistics. Staff prepared the annual COLA memo which determined that retirees receive the maximum amount allowable by retirement plan and excess amounts were added to the COLA accumulation accounts. The BOR approved the memo at their February meeting which increased benefits for retired LACERA members and beneficiaries effective April 1, 2022.

- *Actuarial Valuation Reports:* The Government Code requires that valuations of the Pension Plan be performed at least once every three years. The Board of Investment's 2013 Retirement Benefit Funding Policy requires more frequent valuations which are set to be completed annually. These reports are prepared to determine employer and employee contribution rates and to measure the funded status of the Pension Plan. In addition, the valuation report provides information that is used to prepare the Governmental Accounting Standards Board (GASB) Statement Number 68 financial statement reports. Plan sponsors use the GASB reports to obtain information required for their financial statement disclosures.

The annual retirement benefits valuation report is completed by Milliman, LACERA's consulting actuary. The June 30, 2021 valuation report was accepted at the December Board of Investments meeting. The Board of Investments also adopted recommended employer contribution rates for all plan tiers and employee contribution rates for PEPRA plans, General Plan G and Safety Plan C. Staff is working with the Los Angeles County Chief Executive Office to communicate the results of the June 30, 2021 valuation to the Board of Supervisors (BOS). The meeting with the BOS budget deputies at their cluster operations group is set for mid-February. This item has been scheduled for the BOS mid-March meeting, with a recommendation that the County implement the employer and employee rates no later than September 29, 2022.

Staff began planning for the 2022 actuarial reporting cycle. Milliman will prepare the annual risk assessment report based upon the 2021 valuation report and present it to the Board of Investments in the summer. This presentation will also serve as background and educational information regarding the upcoming triennial experience study. Milliman will begin working on the 2022 Investigation of Experience Report which is conducted every three years and includes reviewing the retirement benefit economic and demographic assumptions. Staff is planning three meetings with the Board of Investments to review and determine the assumptions. The first meeting will be scheduled in the fall.

- *Travel/Expense/P2P Software:* LACERA has procured "Certify" software created by Emburse, an expense management and accounts payable automation provider. Staff is currently implementing the Certify travel and

expense report management software and is working with Certify representatives to implement features such as travel booking, receipt capture, expense linking, credit card expenditure tracking, automated workflow approval, as well as a streamlined procurement and payables process that leverages optimized character recognition to reduce manual data entry. With Certify, LACERA may also make payments via ACH or virtual credit card to vendors. Staff interrupted the implementation process for a few weeks to develop several internal case studies that will serve as examples the vendor can use to understand LACERA's internal processes. The case studies were completed and identified business requirements that will be discussed and explored with the vendor. This project strategically aligns with Systems' goal of upgrading the technology of the organization and will replace the manual processes and controls with the latest technology.

- *Custodian Search*: In accordance with LACERA's Procurement Policy, vendor contracts for investment, and custodian and banking services must be re-bid every ten years. LACERA's current custodian bank, State Street Bank, was hired in July 2013. FASD is working closely with the Investment Office to conduct a formal request for proposal (RFP) process. The Board of Investments approved the minimum qualifications at their December meeting. The Investment Office finalized and released the RFP at the end of January with proposals due at the end of March. Staff will continue to collaborate with the Investment Office as this process evolves.

Attachments:

Public Records Request Update  
Report of Felony Forfeiture Cases Processed



DATE RECEIVED	REQUESTER	DOCS REQUESTED
11-15-21	Olivares, Jennifer - Abrolat Law PC	<p>Request: 57 categories of documents related to Pacific Investment Management Company LLC</p> <p><i>On December 13th<sup>d</sup>, 2021, sent one (1) responsive letter regarding extension of time and summary of production status via email.</i></p> <p><i>On February 12th<sup>d</sup>, 2022, sent one (1) responsive letter regarding extension of time and summary of production status via email.</i></p>
12-29-21	Tolmer, Bobette	<p>Request: eleven categories of records relating to Board approval of staff classifications and salaries.</p> <p><b>On January 3<sup>rd</sup>, 2022, Counsel sent clarification regarding response date.</b></p> <p><b>On January 13<sup>th</sup>, 2022, Counsel sent one (1) responsive letter regarding extension of time and summary of production status via email.</b></p>
1-18-22	Balaod, John	<p>Request: full meeting packets from investment meeting held on the 12th of January 2022.</p> <p><b>On January 25, 2022, sent a link to the meeting materials.</b></p>
1-19-22	Willmer, Sabrina Bloomberg	<p>Request: Three follow up questions to previous PRA request regarding Private Equity fund expenses and fees paid.</p> <p><b>On January 28, 2022, sent response to follow up questions.</b></p>
1-27-22	Tandler, Karen – Deputy District Attorney	<p>Request: The number of District Attorney personnel that were given 100% full COLA benefits, instead of reduced percentage COLA benefits, upon retirement when retiring with hybrid Plan E and Plan D retirement plans.</p> <p><i>On February 1, 2022, sent responsive information</i></p> <p><i>On February 11, 2022, responded to follow-up request with information about service years and COLA criteria.</i></p>
1-21-22	Lyons, Laneika – Bloomberg LP	<p>Request:</p> <ol style="list-style-type: none"> <li>1. For Private Equity, Private Debt, Real Assets, and Real Estate, reported by fund for Q1 - Q3 2021, the following data: <ol style="list-style-type: none"> <li>a. Fund Name, Vintage Year, Commitment Date, and Committed Capital, Invested Capital, Distributions, Current Market Value, Since inception Net IRR and MOIC</li> </ol> </li> <li>2. For Hedge Funds and Multi-Asset Strategies, the following data reported by fund for the current portfolio's holdings: Fund Name, Investment Strategy, and Fund Domicile, Initial Allocation Size, Funding Date, and Current Market Values, Performance&gt;Returns Since Inception</li> </ol> <p><b>On January 28, 2022, sent Bloomberg FOIA Request – 2020-01-28 Spreadsheet on info requested</b></p>
2-8-22	Arbet-Brandt, Nina – LA County HR	<p>Listing of County employees that have retired within the last 10-15 years</p>
2-09-22	Roth, Dirk – Member	<p>Request: complete list of portfolio holdings 2021 LACERA Annual Report, a complete list of Private Equity Investment Managers and how much was paid to each Private Equity Investment Managers firm and what type of transactions/services they provided to LACERA.</p>

DATE RECEIVED	REQUESTER	DOCS REQUESTED
		<i>On February 15, 2022, sent AB 2833 Fiscal Year 2021 Report, Private Equity and Real Asset Report, LACERA Holdings 02/15/22</i>
2-10-22	Campbell, Ben – Data researcher	Full meeting packets from LACERA investment meeting held on the 2-9-22  <i>On February 15, 2022, sent the link to Board of Investments meeting</i>
2-10-22	Mona, Koncheng	Request: investment decisions made at the February 9, 2022, board meeting executive session  <i>On 2-15-22, sent link to LACERA's website where LACERA reports closed session action taken</i>
2-11-22	Wood, Ashley – FOIA Professional Services	LACERA's solicitation for Case Management System 1. All submitted proposals including winning proposal 2. Scoring / Evaluation sheets 3. Final Contract
2-15-22	Wurtz, Laura – FIN News	Request: Private Equity Emerging Manager Discretionary Separate Account RFP issued on 6/22/21  <i>On 2-16-22, sent link to the RFP in response to request for the Private Equity Emerging Manager Discretionary Separate Account RFP issued on 6/22/21.</i>

**REPORT OF FELONY FORFEITURE CASES PROCESSED**

**February 24, 2022**

#	MEMBER'S LAST NAME	MEMBER'S FIRST NAME	DEPT.	CONVICTION DATE	LACERA NOTIFIED	INITIAL IMPACT NOTICE SENT	FINAL IMPACT NOTICE SENT	FINAL STATUS	DISABILITY STATUS	SERV. LEVEL
59	GONZALEZ	PAUL	PARKS	10/19/2021	11/4/2021	12/30/2021		PEND		
57	ANTRIM	MARC	LASD	4/1/2021	5/12/2021			PEND		
56	BERK	MICHAEL	LASD	2/24/2021	4/14/2021	12/30/2021		PEND		
55	FISK	JUSTIN	LASD	2/24/2021	4/14/2021	12/30/2021		PEND		