



Los Angeles County Employees Retirement Association

## **Actuarial Consulting and Actuarial Auditing Services Search**

November 2023

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November 2023

Dear Potential Provider:

The Los Angeles County Employees Retirement Association (LACERA) is requesting proposals from qualified firms (Firm or Bidder), to perform actuarial consulting services and actuarial auditing services for LACERA's Retirement (Pension) Plan and OPEB Program. LACERA intends to award two (2) separate agreements for five (5) fiscal years from June 30, 2024 through June 30, 2029 with LACERA having the option to extend the term of this Agreement for two (2) additional one-year terms. LACERA's actuarial consulting services and actuarial auditing services agreements are set to expire with the completion of the fiscal year-end 2023 actuarial projects. The specific services requested via this Request for Proposal (RFP) are contained in Section II, Scope of Services.

If you are interested in responding, please submit your Intent to Respond (**Attachment A**) by **3:00 PM PST, on Wednesday, December 6, 2023**, as well as your completed proposal by **3:00 PM PST, on Monday, January 8, 2024**, to:

Mr. Jude Pérez  
Deputy Chief Investment Officer  
LACERA  
Actuarial.RFP@lacera.com

Detailed instructions for proposal submission are included in Section III of this RFP. Questions concerning the RFP must be submitted in writing by **3:00 PM PST, on Monday, December 11, 2023**.

Thank you for your interest in providing actuarial services to LACERA. We look forward to your response.

Sincerely,  
Mr. Jude Pérez  
Deputy Chief Investment Officer

## I. Background Information

The Los Angeles County Employees Retirement Association (LACERA) is a public pension fund established pursuant to the County Employees Retirement Law of 1937. LACERA provides retirement, disability, and death benefits to its active safety and general members and administers the Plan Sponsors' retiree health benefit program. As of August 15, 2023, LACERA's membership included approximately 117,000 active and deferred members, and 73,000 retired members. LACERA administers a Pension Plan of approximately \$73.9 billion as of June 30, 2023, and the OPEB Program costs are funded as they are incurred.

LACERA is governed by two Boards. The Board of Retirement (BOR) is responsible for the administration of the retirement system, review and processing of disability retirement applications, and administration of the OPEB Program, including overseeing OPEB actuarial matters. The BOR oversees the actuarial consulting and auditing processes as they relate to the OPEB Program. The Board of Investments (BOI) is responsible for establishing LACERA's investment policy and objectives, deciding pension fund actuarial matters, including setting assumptions and member and employer contribution rates, and exercising authority and control over the investment management of the trust funds. The BOI also oversees the actuarial consulting and auditing processes as they relate to the Retirement Plan.

Pursuant to the California Government Code, Los Angeles County established an irrevocable tax-exempt OPEB Trust for the purpose of holding and investing assets to pre-fund the Retiree Healthcare Benefits Program administered by LACERA for eligible retired members and eligible dependents and survivors of LACERA members. In May 2012, the County hired the LACERA Board of Investments to act as Trustee, Administrator, and Investment Manager. In June 2016, the Los Angeles County Superior Court separately hired the Board of Investments to act as Trustee, Administrator, and Investment Manager for its separate OPEB Trust. In July 2016, the Board of Investments created a Master Trust to facilitate commingling and co-investment of the funds in the County and Court OPEB Trusts. As of June 30, 2023, the OPEB Trust was valued at \$3.1 billion.

LACERA operates as an independent governmental entity separate and distinct from the County. LACERA's annual financial statements are included in the County's Annual Comprehensive Financial Report (ACFR) as a pension trust fund.

### ***Retirement Plan***

The Los Angeles County Employees Retirement Association (LACERA) was established on January 1, 1938. It is governed by the California Constitution, the County Employees Retirement Law of 1937 (CERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), relevant provisions of the Internal Revenue Code, and the regulations, policies, and procedures adopted by the LACERA Board of Retirement and the LACERA Board of Investments. The Los Angeles County (County) Board of Supervisors may also adopt resolutions, as permitted by CERL, which may affect the retirement benefits of LACERA members. LACERA operates as

a cost-sharing multiple-employer defined benefit pension plan for Los Angeles County, LACERA, Los Angeles County Superior Court (Superior Court), and four outside districts: Little Lake Cemetery District, Local Agency Formation Commission for the County of Los Angeles, Los Angeles County Office of Education, and South Coast Air Quality Management District.

### ***Retiree Healthcare Benefits Program***

In April 1982, the County adopted an ordinance pursuant to CERL that created a Retiree Healthcare Benefits Program which is also referred to as the Other Post-Employment Benefits Program (OPEB Program) that provides medical, dental, and vision insurance including a subsidy for certain retirees and eligible dependents, as well as death/burial benefits for retired employees. In that same year, the County and LACERA entered into an agreement whereby LACERA will administer the program subject to the terms and conditions of the agreement. In 1994, the County amended the Agreement to ensure that the OPEB Program will continue even if there are changes to or termination of the active employee health insurance programs.

In June 2014, at the County's request, the LACERA Board of Retirement approved an amendment to the agreement which created a new retiree healthcare benefits program tier to lower costs by excluding the subsidy for dependents. The Los Angeles County Retiree Healthcare Benefits Program Tier 2 was established and provides benefits for all employees hired after June 30, 2014. The existing benefits program and current membership at that time was labeled as Tier 1.

In July 2018, the OPEB Program, in which Los Angeles County, LACERA, Superior Court, and the outside districts participate, was restructured as an agent multiple-employer defined benefit OPEB plan.

Refer to LACERA's website (<https://www.lacera.com/accountability/financial-reporting>) for current and past actuarial reports relating to:

- Actuarial Valuations and Reviews
- Experience Studies and Reviews
- GASB Disclosure Reports
- Annual Comprehensive Financial Reports

For LACERA's Retirement Benefit Funding Policy, refer to **Attachment B** in the RFP materials package.

## **II. Scope of Services**

The Los Angeles County Employees Retirement Association (LACERA) is requesting separate proposals from qualified actuarial services firms (Firm or Bidder), to perform actuarial consulting services and actuarial auditing services for LACERA's Retirement Plan and OPEB Program. Although it is LACERA's intent to contract with one firm to provide actuarial consulting services and a separate firm to provide actuarial auditing

services, LACERA encourages qualified Firms to submit two (2) proposals, one for actuarial consulting services and another for actuarial auditing services.

LACERA's current consultant (Consultant) provides actuarial consulting services for the Retirement Plan and the OPEB Program using separate engagement teams within the Firm. LACERA's current actuarial auditor (Auditor) provides actuarial auditing services for the Retirement Plan and OPEB Program using the same engagement team within the Firm. LACERA has maintained its relationship with the current Consultant since 1999 and the Auditor since 2017. However, LACERA welcomes and encourages all qualified bidders to submit proposals in response to this RFP.

The actuarial services fall into two broad categories: (1) preparation of the required annual valuation and regulatory reports and (2) consultation with Staff and Trustees regarding benefits, regulations, and administration of the Retirement Plan and OPEB Program, including interaction with the Fund's auditor, administrator, legal counsel, and other external consultants on these and other matters.

#### **A. Actuarial Consultant**

The selected Consultant firm will provide LACERA with the following overview of scope of services:

##### **1. Actuarial Valuation Services**

- Calculate the Retirement Plan's funded status and required employer and employee contribution rates.
- An actuarial valuation will be completed every year for the Retirement Plan as of June 30<sup>th</sup> and OPEB Program as of July 1<sup>st</sup>.
- Make recommendations to the Boards and document results of the actuarial valuation in a written report.

##### **2. Investigation of Experience (Experience Study) Services**

- Review the economic and demographic assumptions used in the actuarial valuations.
- Perform an experience study every three years for the Retirement Plan and for the OPEB Program. The studies could be performed earlier if requested by the Boards.
- Make recommendations to the Boards and document results of the experience study in a written report.

##### **3. GASB Disclosure Reporting Services**

- Complete the annual GASB disclosure reports required for the Retirement Plan and for the OPEB Program for financial statement reporting.
- Document the results in written reports for the plan administrator and plan sponsors.

#### **4. Routine Consulting Services**

- Provide ongoing actuarial consultation and advisory services on any technical, policy, or plan administration related to the Retirement Plan or OPEB Program during the course of operations.
- Develop and provide various actuarial factors and tables required for the operation of LACERA and routine calculations of certain retirement benefits.
- Proactively evaluate and provide LACERA with timely information on new developments, trends, or changes in the actuarial standards and in the retirement industry.
- Make recommendations to the Boards and document the results in a written report.

#### **5. Special Projects (Actuarial Consulting Under Time and Material Billing)**

- Conduct actuarial-related consulting projects under a time and material billing arrangement. These projects, referred to as “Special Projects,” will be approved by LACERA individually.

#### **B. Actuarial Auditor**

The selected Auditor firm will provide LACERA with the following overview of scope of services:

##### **1. Actuarial Valuation Auditing Services**

- Conduct an audit of the annual actuarial valuation prepared by the Consultant.
- Make recommendations to the Consultant and/or to the Boards regarding the work completed by the Consultant.

##### **2. Investigation of Experience (Experience Study) Auditing Services**

- Conduct an actuarial audit of the triennial experience study prepared by the Consultant.
- Make recommendations to the Consultant and/or to the Boards regarding the work completed by the Consultant.

##### **3. GASB Disclosure Auditing Services**

- Conduct audits of separate GASB disclosure reports for the Retirement Plan and for the OPEB Program.

##### **4. Special Projects (Actuarial Auditing Under Time and Material Billing)**

- Conduct actuarial-related auditing projects under a time and material billing arrangement. These projects, referred to as “Special Projects,” will be approved by LACERA individually.

### **III. Statements of Work**

#### **A. Statements of Work Overview**

The Statements of Work provide a detailed explanation of the services requested. Below is a summary of the actuarial projects. Please refer to **Attachment H** for the Actuarial Consulting Services Statements of Work and **Attachment I** for the Actuarial Auditing Services Statements of Work.

#### **Actuarial Consulting Services Agreement – General Form**

##### Exhibit A – Statement of Work: Retirement Plan Consulting

1. Actuarial Valuation
2. Triennial Experience and Assumptions Study
3. Supplemental Targeted Adjustment for Retirees (STAR) Valuation
4. Actuarial and Governmental Table Updates
5. Section 415(b) Limitations Testing
6. Risk Assessment Reporting
7. GASB 67 Financial Statement Disclosure Reporting
8. GASB 68 Financial Statement Disclosure Reporting
9. Actuarial Consulting
10. Special Projects (Actuarial Consulting under Time and Material Billing)

##### Exhibit B – Statement of Work: OPEB Program Consulting

1. Actuarial Valuation and Consulting
2. Triennial Experience and Assumptions Study
3. GASB 75 Financial Statement Disclosure Reporting for the Los Angeles County, LACERA, and Superior Court
4. GASB 75 Financial Statement Disclosure Reporting for SCAQMD

#### **Actuarial Auditing Services Agreement – General Form**

##### Exhibit A – Statement of Work: Retirement Plan Auditing

1. Audit of Actuarial Valuation
2. Audit of Triennial Experience and Assumptions Study
3. Audit of GASB 68 Financial Statement Disclosure Reporting
4. Special Projects (Actuarial Auditing under Time and Material Billing)



Exhibit B – Statement of Work: OPEB Program Auditing

1. Audit of Actuarial Valuation
2. Audit of Triennial Experience and Assumptions Study
3. Audit of GASB 75 Financial Statement Disclosure Reporting
4. Special Projects (Actuarial Auditing under Time and Material Billing)

**B. Consulting Projects Overview**

Table 1 below summarizes the actuarial consulting projects and the reporting requirements. Please refer to **Attachment H** for the complete Actuarial Consulting Services Statements of Work.

**Table 1 – Consulting Projects Summary**

<b>Project</b>	<b>Frequency</b>	<b>Reporting</b>	<b>Due Date</b>
<b><i>Retirement Plan</i></b>			
Actuarial Valuation	Annual	Board of Investments	Annual – November 1 Triennial Year – February 1
ACFR Certification Letter	Annual	LACERA Staff	September 15
Triennial Experience & Assumptions Study	Every 3 Years	Board of Investments	November 1
Supplemental Targeted Adjustment for Retirees (STAR) Valuation	Annual	LACERA Staff	July 31
Actuarial and Governmental Table Updates	Annual	LACERA Staff	December 31, As Necessary
Section 415(b) Limitations Testing	Annual	LACERA Staff	April 30 and August 31
Risk Analysis Reporting	Annual	Board of Investments	May 31
Routine Actuarial Consulting	Annual	LACERA Staff, Board of Investments, Stakeholders	As Necessary
Financial Reporting – GASB 67 Disclosure	Annual	LACERA Staff	September 30
Financial Reporting – GASB 68 Disclosure	Annual	LACERA Staff	June 30
Actuarial Consulting – Special Projects	As Necessary	LACERA Staff, Board of Investments, Stakeholders	TBD

<b>OPEB Program</b>			
Actuarial Valuation & Consulting	Annual	Board of Retirement, LACERA Staff, Stakeholders	Annual – June 30 Triennial Year– June 30
Triennial Experience & Assumption Study	Every 3 Years	Board of Retirement, LACERA Staff, Stakeholders	March 1
Financial Reporting – GASB 75 Disclosure (Los Angeles County, LACERA, Superior Court)	Annual	LACERA Staff	June 30
Financial Reporting – GASB 75 Disclosure (SCAQMD)	Annual	LACERA Staff	June 30

### C. Auditing Projects Overview

Table 2 below summarizes the actuarial auditing projects and the reporting requirements. Please refer to **Attachment I** for the complete Actuarial Auditing Services Statements of Work.

**Table 2 – Auditing Projects Summary**

<b>Project</b>	<b>Frequency</b>	<b>Reporting</b>	<b>Due Date</b>
<b>Retirement Plan</b>			
Audit of Actuarial Valuation	Every 3 Years	Board of Investments	Triennial Year– February 1
Audit of Triennial Experience & Assumptions Study	Every 3 Years	Board of Investments	Triennial Year– February 1
Audit of GASB 68 Disclosure Report	Every 2 Years	LACERA Staff	June 30
Actuarial Auditing – Special Projects	As Necessary	LACERA Staff, Board of Investments, Stakeholders	TBD
<b>OPEB Program</b>			
Audit of Actuarial Valuation	Every 3 Years	Board of Retirement, LACERA Staff, Stakeholders	Triennial Year– June 30
Audit of Triennial Experience & Assumptions Study	Every 3 Years	Board of Retirement, LACERA Staff, Stakeholders	Triennial Year– March 1
Audit of GASB 75 Disclosure Report	Every 2 Years	LACERA Staff	June 30
Actuarial Auditing – Special Projects	As Necessary	Board of Retirement, LACERA Staff, Stakeholders	TBD

#### **IV. Requirements and Instructions for RFP Response**

##### **A. Proposal Deadline**

The completed proposal must be delivered by **3:00 PM PST, January 8, 2024**. Any proposal delivered after the proposal deadline will not be considered. Faxed transmissions are not acceptable. Completed proposals are to be emailed to the attention of:

Mr. Jude Pérez  
Deputy Chief Investment Officer  
LACERA  
Actuarial.RFP@lacera.com

Also email **one copy** marked “REDACTED,” if applicable. The redacted copy may exclude all material from your proposal that you believe in good faith is exempt from disclosure under the California Public Records Act (Cal. Gov. Code Sections 7920 et seq.) (described in Section VII of this RFP). Redactions should appear as blacked out material or blank page(s) with the word “REDACTED” or “PROPRIETARY” inserted. See Notice to Respondents Regarding the Public Records Act and Ralph M. Brown Act below for limitations on any such redactions. LACERA has sole discretion over public release of all submitted material.

##### **B. Format and Content**

Proposals are to address all the questions posed by LACERA in the order in which they appear in this RFP. All requested information must be provided in the format and order described below. Answers are to be succinct in a 12-point font and page limit maximums (as indicated below) are to be complied with.

###### **1. Cover Letter**

A cover letter (1 page) shall be signed by the individual(s) who is (are) authorized to bind the respondent contractually. The letter shall contain a statement to the effect that the respondent is not currently under investigation by any regulatory agency, state or federal, for any reason. The letter should summarize the services the firm will perform for LACERA, the specific team that will be working on the LACERA account, including the lead consultant on the team, and proposed fee structure.

###### **2. Minimum Qualification Certification**

Your firm must certify, by completing and signing **Attachment C**, that it meets the minimum qualifications required.

###### **3. Table of Contents**

The response must contain a one-page table of contents that identifies the major sub-sections of the Questionnaire.

#### **4. Questionnaires**

Provide your response to the enclosed Questionnaire (**Attachment D**). Excluding the requested Exhibits, your response must not exceed fifty (50) pages. Responses shall be in the prescribed format. The RFP and Attachments have been made available for review and download via LACERA's website ([www.lacera.com](http://www.lacera.com)) under the "Business Opportunities" section<sup>1</sup>.

#### **5. Attachments**

Respondents seeking consideration as LACERA's actuarial consultant or actuarial auditor must provide all information requested as Exhibits to the completed Questionnaire.

The Exhibits do not contribute to the Questionnaire's 50-page limit as outlined in the previous section. However, please do not include additional Exhibits or Attachments in your response beyond what is requested in the Questionnaire, as they will not be considered in this evaluation.

### **C. Questions Relating to this RFP – Quiet Period**

Direct all questions, inquiries, and requests for additional information concerning this RFP to Jude Pérez no later than **3:00 PM PST, December 11, 2023** by e-mail ([Actuarial.RFP@lacera.com](mailto:Actuarial.RFP@lacera.com)). All questions received and responses thereto will be posted on LACERA's website ([www.lacera.com](http://www.lacera.com)) under the "Business Opportunities" section on or about **3:00 PM PST, December 18, 2023**.

#### **Additional Information**

Please note that during this evaluation process LACERA staff will not answer any questions related to the RFP except as set forth in the above paragraph. After December 11, 2023, if a question appears unclear to you, please state your interpretation of the question and answer it accordingly.

To ensure that prospective service providers responding to this RFP have equal access to information regarding 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. During the Quiet Period, respondents are not permitted to communicate with any LACERA staff member or Board member 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 are existing LACERA service providers must limit their communications with LACERA staff and Board members to the subject of the existing services provided by them.

## **IV. Evaluation Process**

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<sup>1</sup> <https://lacera.com/who-we-are/business-opportunities>

An evaluation committee consisting of LACERA staff members will review the RFP responses. An initial screen and assessment will be conducted to both ensure that minimum qualifications are met and that proposals align with the objectives of the search.

Responses that meet minimum qualifications and are fit for purpose shall be subject to evaluation and scored on the following categories by the review committee:

1. Organization Background (25%)
2. Team Credentials (25%)
3. Evaluation of Approach to Performance of Required Services (40%)
4. Fee Proposal (10%)

If advanced beyond round one of the evaluation phases, web-based and/or in-person interviews with LACERA may be scheduled. Finalists may be asked to make oral presentations to the Board of Investments and the final selection(s) will be made by the Board of Investments.

#### **V. Tentative Timetable**

The following is a tentative schedule for this search. The evaluation and staff recommendation phases are subject to modification by LACERA.

LACERA RFP Issued	November 15, 2023
Submission – Letter of Intent to Respond	December 6, 2023
Submission – RFP Questions Deadline	December 11, 2023
LACERA Response to Written Questions	December 18, 2023
Submission – RFP Response Deadline	January 8, 2024
Invitations to Interview, as Warranted	February 2024
Final Selection and Approval	April 2024

#### **VI. Notice to Respondents Regarding the Public Records Act and 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 7920, et. seq., the “Act”). Additionally, LACERA staff may discuss proposals at a public meeting to discuss information about the respondents' proposals and relative pros and cons, and the final selection that will be subject to the Brown Act (California Government Code Section 54950 et seq.). 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 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 inadvertent 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 to disclose all information provided by a respondent.

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.

**VII. Responses become LACERA Property**

The information you submit in response to this RFP will become the exclusive property of LACERA. Your response will not be returned to you, and LACERA will not reimburse you for response preparation expenses.

**VIII. Contract Negotiations**

If LACERA's Board of Investments so authorizes, staff will negotiate a services agreement with the approved firm(s). LACERA may terminate 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., fees, services to be provided) during contract negotiations.

The contract negotiated, if any, must allow LACERA to terminate (a) for its convenience upon not more than 30 days' notice and (b) for default.

The general form of the contracts LACERA intends to use for the mandate set forth in this RFP are attached as **Attachment F** and **Attachment G**. By submitting a proposal without comment on the contracts, you will be deemed to have agreed to each term in the contracts, and to not seek any modifications to the contracts. If you object to a term in the contracts or wish to modify or add terms to the contracts, your proposal must identify each objection, and propose language for each modification and additional term sought, including the rationale for the change. LACERA reserves the right to make changes to the contracts beyond those in the attached general forms prior to execution, including material changes.

**IX. Contract Terms and Conditions**

The winning bidder will be required to comply with applicable California law and LACERA's Investment Policy Statement, including without limitation the following:

**A. Fiduciary Responsibility**

The Respondent acknowledges that the Agreement places it in a fiduciary relationship with LACERA. As a fiduciary, Respondent shall discharge each of its duties and exercise each of its powers under this Agreement with the competence, care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of a like enterprise with like aims, in conformance with the California Constitution, Article XVI, Section 17 and California Government Code Sections 31594 and 31595 ("Standard of Care"). Manager shall cause all its employees, agents and representatives providing services in connection with the Agreement ("Agents") to exercise the same Standard of Care. The Respondent shall be liable to LACERA for any claim which arises from or relates to any failure by the Respondent or any of its Agents to exercise this Standard of Care.

## **B. Conflicts and Economic Interests**

Respondent shall immediately advise LACERA if any member of the LACERA Boards or key staff of the Boards (as such Board members and key staff are identified in writing by the Chief Executive Officer from time to time), or any elected or appointed official of Los Angeles County, or any person claiming to represent or have influence with either Board or with any member of the Boards contacts Respondent with respect to a financial transaction or solicitation which is not solely on behalf of LACERA's business with Respondent,

The Respondent will affirm that it will report economic interests and conflicts in accordance with California law and LACERA policy, including the Code of Ethical Conduct, by filing and submitting to LACERA California State Fair Political Practices Commission Form 700 – Statements of Economic Interests by key personnel on an annual basis.

## **X. 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 has failed to comply with the requirements of this RFP, or 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 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.

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.