

## EXHIBIT C

### STATEMENT OF WORK

All services performed by the contractor shall be under the direction of, and approved by, the Chief Audit Executive or designee.

ODD is performed both pre- and post-investment. Pre-investment ODD is the process of evaluating whether the investment manager has the necessary operational capabilities, controls, and framework to execute on the investment mandate that LACERA is considering. Along with investment due diligence (IDD), ODD is an important component of the decision to invest. Post-investment ODD is the process of evaluating whether the investment manager continues to have the necessary operational capabilities, controls, and framework to execute on the investment mandate that LACERA hired the manager to perform.

The scope of work should include but is not limited to assessing the following:

Review of the effectiveness of ODD in the execution of LACERA's investment program.

- Pre-investment ODD.
- Post-investment/ongoing ODD.

Consideration in both pre-investment and post-investment ODD should be given to:

- Evaluating the effectiveness, frequency, and degree/comprehensiveness of ODD performed.
- Assessing the effectiveness of reliance by LACERA staff on investment consultants and third parties for the performance of ODD in asset classes where those resources are available.
- Completeness and comprehensiveness of ODD documentation.
- Assessing whether the ODD Program covers all appropriate risk factors. Examples may include internal controls over operational processes, investment operations, infrastructure and business continuity, compliance, risk management, disclosures, manager organization, fund terms, custody and counterparties, valuation policies, financial statements, and Form ADVs.
- Evaluation of ODD for internal investment operations.
- Communication of ODD efforts to the Board of Investments and utilization of data in managing portfolio.

Input of best practices in managing an effective ODD program.

LACERA has over 100 investment manager relationships with the majority of the total count coming from the Growth functional asset class. Within the Investment Policy Statement (IPS), page 16 of the IPS provides additional background, specifically a breakdown of LACERA's asset allocation to various categories and the target weights. Please reference LACERA's Investment Policy Statement at

<https://www.lacera.com/sites/default/files/assets/documents/general/IPS-111921.pdf>.