

October 1, 2026



REQUEST FOR PROPOSAL

Virtual Mailroom

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TABLE OF CONTENTS

1.	INTRODUCTION	3
2.	SCOPE OF SERVICES	4
3.	MINIMUM QUALIFICATIONS	4
4.	INSTRUCTIONS TO RESPONDENTS	4
5.	NOTICE TO RESPONDENTS REGARDING THE PUBLIC RECORDS ACT AND RALPH M. BROWN ACT	8
6.	DIVERSITY, EQUITY, AND INCLUSION	9
7.	NOTICE TO RESPONDENTS REGARDING LACERA DATA PROTECTION	9
8.	CONTRACT NEGOTIATIONS	10
9.	RESERVATIONS BY LACERA	11

EXHIBITS LIST

EXHIBIT A - PROPOSAL COVER PAGE AND CHECKLIST	14
EXHIBIT B - MINIMUM QUALIFICATIONS CERTIFICATION	15
EXHIBIT C - QUESTIONNAIRE	16
EXHIBIT D - AGREEMENT FOR SERVICES	17
EXHIBIT E - IT SECURITY CONTROLS	28
EXHIBIT F - SELECTION CRITERIA	30
EXHIBIT G - DIVERSITY, EQUITY, AND INCLUSION QUESTIONNAIRE	31

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION
REQUEST FOR PROPOSAL (RFP)
VIRTUAL MAILROOM
OCTOBER 1, 2026**

1. INTRODUCTION

1.1. Purpose of Request

The Los Angeles County Employees Retirement Association (LACERA) is seeking proposals from qualified firms to provide virtual mailroom solutions for document imaging and categorization. LACERA is embarking on a strategic initiative to enhance its document processing capabilities. We are seeking a highly skilled vendor with a local processing facility to implement a comprehensive document routing system through Virtual Mailroom services or a similar user interface. This project is pivotal in streamlining our operations and fortifying LACERA's Business Continuity Program.

By integrating the intake of physical and digital document processing, including preparation, scanning, indexing, and electronic delivery, LACERA aims to ensure seamless and uninterrupted operations. This initiative supports disaster recovery strategies and enables efficient remote work capabilities, reinforcing our commitment to adaptability and resilience in an ever-evolving work environment. LACERA invites qualified vendors to respond to this RFP (Respondent).

1.2. 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 200,000 members, including active, deferred, and retired members. Additionally, retired members and survivors take part in the medical and dental retiree healthcare programs. In addition to benefits administration, the fund globally invests in diversified assets to support payment of the promised pension benefits as well as additional sums to support the retiree healthcare program. The pension fund has assets of approximately \$90 billion, and the OPEB Trust to prefund the retiree healthcare program has assets of approximately \$5.5 billion.

The Respondent(s) selected through this RFP process may be recommended to LACERA's Board of Retirement (BOR) and Board of Investments (BOI). The BOR is responsible for the administration of the retirement system, retiree healthcare program, and the review and processing of disability retirement applications. The BOR is composed of 12 trustees: four trustees and two alternates elected by members, four appointed by the Los Angeles County Board of Supervisors, and one ex-officio by law. Of the elected trustees, two are elected by active general members; one regular and one alternate are elected by retired members; and one regular and one alternate are elected by safety members. Elected and appointed trustees serve three-year terms, and the law requires the County Treasurer and Tax Collector to serve as the ex-officio trustee. In addition, the Chief Deputy County Treasurer and Tax Collector serves as the acting ex-officio member, sitting in for the ex-officio trustee as needed.

The Board of Investments (BOI) is responsible for establishing LACERA's investment policy and objectives, as well as exercising authority and control over the investment management of the pension and benefits trusts. The BOI is composed of 10 trustees: four elected by members, four appointed by the Los Angeles County Board of Supervisors, and one ex-officio by law. Of the elected trustees, two are elected by active general members, one is elected by retired members, and one is elected by safety members. Elected and appointed trustees serve three-year terms, and the law requires the County Treasurer and Tax Collector to serve as the ex-officio trustee; the Chief Deputy serves when the Treasurer and Tax Collector is unavailable.

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

- That unifies intake and routing across the following channels: physical mail, eFax, online portal uploads, and dedicated email.
- Provides business continuity for document processing, including check handling, that continues functioning seamlessly during disruption and supports hybrid work.
- Has document identification capabilities using LACERA's 500+ document type library (barcode and non-barcode).

2. SCOPE OF WORK

LACERA receives member and business correspondence through multiple channels (physical mail, eFax, online portal uploads, dedicated email addresses). Today, these sources follow different processes. LACERA intends to implement a unified intake and routing capability supported by high-speed scanning, metadata capture, document identification, search, and controlled delivery to appropriate queues and recipients

The scope of work includes the following:

Digital Documents

LACERA receives member documents via dedicated email addresses, the LACERA online portal, eFax. Incoming digital documents should follow a unified workflow to streamline and standardize document processing. These documents are usually member applications or supporting documentation needed for LACERA services being requested.

Physical Mail

The vendor must pick up mail at the United States Postal Service Office located at 600 Lincoln Ave., Pasadena, CA 91109. The vendor must sort, scan, and process mail into three main categories, with an average monthly mail volume of 6,500 pieces of mail or 41,000 pages.

- **Category 1. Member Correspondence:** Typically includes member forms, supporting documents, checks, certificates, and other materials required for processing member benefits.
- **Category 2. Business Mail:** This confidential mail should be directly routed to the designated recipients, such as the Board Trustees, Executive Officers, Human Resources (HR), the Legal Office and Division Managers.
- **Category 3. Business Solicitations:** Flyers, postcards, brochures, newspapers, magazines, and books. This category only needs to be date stamped and forwarded to LACERA; scanning is not necessary.

Front-End Application Needs

The vendor must provide a reliable front-end solution that integrates with LACERA's back-end software, streamlining document intake, allowing the viewing of processed documents and related metadata. The system should support workflows, routing features, and definable inboxes with user and role-based access.

The user interface should enable business mail recipients to receive their correspondence digitally and allow LACERA staff to retrieve and process member-related documents seamlessly. The system should also integrate physical mail processing and digital document processing into one streamlined workflow. High-speed scanning should be used to digitize incoming member and business mail.

Incoming Digital Documents

To meet member and partners' needs, in addition to paper mail, LACERA provides members and partners with several options to submit documents digitally.

- **Efax:** Members can send one or multiple documents via eFax, which are received as PDF email attachments.
- **Online Portal:** Members can upload documents through an online portal. These documents are also delivered as PDF files and are placed in a queue for staff review

and processing. A single PDF file may contain multiple documents that need to be separated and coded accordingly.

- **Dedicated Email Addresses:** Specific types of member-related documents are sent to dedicated email addresses.

Currently, each intake channel follows a different process. The vendor shall collect documents from all sources, including physical mail, and convert them into a standardized digital format with the metadata needed for final processing by LACERA staff. Required metadata includes, at a minimum, date received, source, sender's name, the document type, and other relevant identifiers, such as employee ID, LACERA ID, or Social Security number. Each document must remain a distinct, clearly identifiable record so it can be routed to the appropriate queue for further processing.

Member Physical Mail

Once member mail is digitized, the system should automatically classify the documents by identifying the type of communication (e.g., address change, power of attorney, birth certificate, letter, etc.) and extracting key information (e.g., member name, employee ID, Social Security number, etc.). Within the vendor's platform, documents must have at least minimum searchability by date, sender name, source, and document type. The search functionality should include partial matches and suggestions, with results that are sortable and filterable.

Business Physical Mail

After scanning, the system must route business mail electronically to the appropriate recipient or designated queue within LACERA to support timely review and handling. Recipients must receive email notifications when new correspondence is available and have access to a digital queue for retrieval and action. The system must also support document searches by sender name and date, including partial-match capability, suggested results, and sortable, filterable search results.

Audit Function

To maintain system integrity, an audit function must track and verify that all received communications are properly scanned. Features should include:

- **Logging:** Record details of each communication, including the sender, source, document type, date, time of receipt, and scanning status.
- **Verification:** Ensure each communication is scanned for relevant information.
- **Alerts:** Generate notifications if any communication fails to scan or if discrepancies are found.
- **Reporting:** Provide summary reports of audit results, highlighting any issues.
- **Access Control:** Restrict access to audit logs and reports to authorized personnel only.

The audit function ensures accountability and reliability in the document processing system.

Document Identification and Processing Requirements

The selected vendor must implement a system to uniquely identify documents for communication and troubleshooting purposes between LACERA and the vendor. An index file should be created to clearly identify each document and its corresponding images.

Member documents must be tagged with metadata including the date received, the member's name, the source, and the document type, according to LACERA's Document Type Library. This library contains over 500 document types with 100 being the most common. LACERA-generated forms and documents come with barcodes that help identify document types. However, the library also includes third-party documents that need identification and do not have barcodes.

Member-related documents should be properly categorized and prepared for further processing by LACERA staff, with each document traceable back to its original envelope for physical mail, and source origin stamp for digital sources like "Portal," "eFax," and "dedicated email addresses".

The vendor should ensure that **business** mail is digitally and confidentially delivered to the intended recipients via the vendor's user interface.

During preparation of physical mail, the vendor must carefully remove documents from envelopes and inspect them for any damage or missing pages. If a document is damaged or incomplete, the vendor should add a disclaimer cover page indicating the issues. Envelopes and their contents must stay together throughout the process, including items like handwritten notes or Post-its.

Physical Mail Processing

Category 1. Member Correspondence

This is identified by envelopes addressed to "LACERA" or its P.O. Box.

The vendor is responsible for scanning each piece of member mail, including the envelope. During the scanning process, the vendor must identify the document type for each enclosed document. A document is the composition of all pages of a document type. For example, if an envelope contains a Beneficiary Form, a Direct Deposit Form, and a Birth Certificate, these would be considered three separate documents. Each scanned document should receive a "Mailroom" date stamp. After scanning, the digital images should include the document type and be routed promptly to LACERA for further handling and processing. It is crucial for the vendor to maintain the integrity and order of all scanned documents and ensure prompt delivery of the physical copies as well. Each

document must be traceable to the envelope it came in, since relevant key information needed for further processing is often found on the envelope.

Certified Copies of Vital Records and Legal Documents

LACERA members often submit original or certified copies of vital records and legal documents such as birth, marriage, domestic partnership, death certificates, passports, certificates of naturalization, wills, powers of attorney, letters of guardianship, official military records, letters of conservatorship, or orders of dissolution of marriage. The vendor needs to scan these documents with the following considerations:

- Capture the best possible images, which may require scanner adjustments.
- Provide a disclaimer mentioning if documents are original certificates, certified copies, or regular copies.
- The vendor must protect and return all vital records and legal documents to LACERA in their original form.

Checks, Money Orders, and LACERA Warrants

The vendor's business continuity plan must include check processing.

LACERA receives physical checks from members, business partners, and other government agencies. Most checks are payable to LACERA, but some checks may be payable to third-party companies. The vendor should scan checks with the accompanying documentation, including the envelope, and digitally transmit them to LACERA within one business day so LACERA can make a remote deposit using the provided information. The original checks must be delivered to LACERA on agreed upon timelines.

LACERA-issued checks (warrants) occasionally return in the mail due to incorrect or insufficient addresses. The vendor must stamp or write "VOID" on the original warrant and scan the check and envelope as one document.

Category 2. Business Mail

Mail addressed to Board Trustees, Executive Officers, Legal Office, Human Resources, and Division Managers will be scanned, including the envelope, and routed directly to recipients through the vendor's user interface. These should include metadata such as sender information and the date received. The vendor will ensure that all pages of each document are in the correct order and place the envelope behind the documents. All subpoenas should be routed to the Legal Division. All business mail should be scanned and digitally delivered in the same business day.

Category 3. Business Solicitations

Flyers, postcards, brochures, newspapers, magazines, and books should be date-stamped and returned to LACERA **without scanning**. Business solicitations, newspapers, magazines, and books are exempt from Imaging Services. A robust list of

exempt mail will be provided by LACERA. The vendor must deliver this mail to LACERA along with a report of included items.

Mail Scanning Requirements

Scanning outputs must integrate with LACERA systems to produce legible, high-quality digital documents that can go through the workflow for further processing, ensuring that LACERA staff can process member benefits efficiently. LACERA staff must be able to easily identify the following:

- Apply OCR to all scanned and digitally received documents to support searchable text, document classification, indexing, routing, and retrieval.
- The start and end of a document, its page count, and the accompanying envelope.
- "Mail" date stamp for documents and envelopes.
- High-resolution images for documents containing photographs.
- Clear and legible images of official documents, such as certificates and other legal documents
- Clearly marked intended blank pages.
- Scan loose small handwritten notes as a separate document and code it depending on context
- Sticky Notes: Ensure they are scanned with and without the document it was attached to and code it depending on context.

The vendor must reconcile the physical document and page count with the imaged count, ensure complete scanning, including blank pages, and verify image quality before transmitting work to LACERA. The vendor must have a process that includes open and responsive communication to correct any unsatisfactory work within the acknowledgment and correction timeframes stated in the Quality Control section.

Improving Image Quality

The vendor will improve the quality of old, worn, damaged, and illegible documents, pictures, identifications, certificates, etc., for better scanning. If quality cannot be improved, LACERA requires a "Best Available Image" stamp on the document to indicate that the vendor made best efforts to improve image reviewed. Small handwritten notes from members should be scanned separately to avoid obscuring valuable information within received documents, ensuring all content is clear and legible and that no information is covered by mistake.

Scanned and Virtual Mail Management

The vendor will retain a digital copy of the scanned documents and all digital documents from different digital sources (such as eFax, the LACERA Portal, and dedicated email addresses) for 90 days and delete them afterward as a privacy and security measure. The vendor is not to keep any digital files beyond the agreed-upon duration without an explicit request from LACERA.

Returning Physical Mail to LACERA

The vendor will ensure that all document pages are correctly ordered, placing the envelope behind the enclosed documents. All mail must be processed and returned to LACERA on an agreed schedule. Physical documents will be stored in labeled bankers' boxes and delivered to LACERA with a daily report of imaged documents. If the LACERA building is inaccessible, documents will be stored for six months or until a new location is secured. The vendor must protect boxes and documents from loss, damage, and unauthorized access.

Document Delivery and Audit Trail

All imaged documents and the daily index file must be transmitted to LACERA on a daily basis using one of the following channels:

- SFTP provided by LACERA.
- SFTP provided by the vendor.
- Web-based digital staging solution approved by LACERA InfoSec.

The Vendor shall transmit completed document images, metadata, and index files to LACERA via Secure File Transfer Protocol (SFTP) no fewer than three (3) times per business day. Transmissions shall occur at regularly scheduled intervals. The vendor shall have the capability to increase transmission frequency to hourly intervals upon LACERA request without requiring a material change to the solution architecture.

Documents containing negotiable instruments, checks, or other time-sensitive financial items shall be included in the next scheduled transmission and transmitted no later than two (2) business hours after completion of scanning and quality control.

The vendor must provide audit and tracking of every transmittal, including sender/date/time/status logging, verification, alerts for failures or discrepancies, on-demand reporting, and access control to audit logs and reports.

Imaged documents are retained for 90 days unless explicitly requested by LACERA.

Integration Requirements

The vendor's application must integrate with LACERA's enterprise environment. Specific systems include, but are not limited to:

- Microsoft 365 suite (Outlook, OneDrive, Teams).
- OpenText Captiva (capture).
- IBM FileNet P8 (enterprise content management).
- Mailtracker.

Authentication must support Single Sign-On (SSO) via Microsoft Entra ID (Azure AD). Integration design and connectivity will be finalized during the design and build phase under LACERA InfoSec review.

Quality Control

The imaging process must include a procedure for reconciling the physical document and page count against the imaged count. The vendor must ensure documents are scanned in their entirety, including blank pages, handwritten notes, post-its and envelopes.

The vendor must ensure each image meets the pre-determined quality standards under the contract. When necessary, the vendor must rescan documents at no additional cost to LACERA.

The vendor must ensure the accuracy of all file names, file directories, indexes, and other file and data elements required by LACERA.

The vendor must correct any unsatisfactory work product or errors in data within the acknowledgment and correction timeframes in the table below, measured from receipt of notice from LACERA.

Severity	Example	Vendor Acknowledgment	Correction Completion
Critical	Missing document, bad quality image, missing, page, misrouted member correspondence, check-processing error	Within 2 business hours	Same business day, not to exceed 4 business hours
Moderate/Low	Incorrect indexing, document type misclassification, unreadable scan affecting processing	Within 4 business hours	Within 1 business day

The vendor must provide a copy of its current quality control procedures to be considered, and annually, thereafter, if contracted.

Post-Imaging Document Storage and Delivery

The vendor must store the physical documents in ascending order in banker's boxes for one business day. Boxes must not weigh more than 12 pounds; multiple boxes may be used for a day's work to comply with the weight limit. Each box must include a label containing:

- The received date.
- The scanning date.
- The document range (for example, Doc. No. 10003 – 10101).
- The number of boxes per received date (for example, 7/14/2026 Box 1 of 3).

The vendor must deliver the boxes to LACERA within the agreed upon timeline. The vendor must email a daily report of the documents imaged to designated LACERA staff and make the report available in the user interface. The report must include the document unique identifier, source, document type, totals for documents and pages scanned, and a breakdown by Member Correspondence, Exempt, and Business Mail.

If the LACERA building becomes inaccessible due to an unforeseen event, such as fire, flood, or other natural disaster, the vendor must store the documents in a secured location for up to six months, or until the building becomes safe to resume work, or until LACERA secures a new location.

The vendor must take adequate safeguards to protect the boxes and documents against loss, damage, and unauthorized use or access.

Service Levels and Reporting

The vendor must meet the following service-level targets and reporting commitments. Service credits for missed service levels will be set out in Attachment C (Service Levels and Service Credits) to the Agreement for Services.

Service Level	Target
Mail Pickup from USPS	Morning daily pick up of mail from USPS in Pasadena, CA
Mail Dropoff to LACERA	Return all scanned mail to LACERA on the agreed upon timeline
Physical Mail Scan Initiation and Transmittal	Same business day received
Prioritization of Checks and Time-Sensitive Documents	Ability to prioritize processing of checks and time-sensitive documents
Digital Ingestion and Availability (Email, Portal, eFax)	Available in the user interface within one hour of receipt
System uptime	99.9% availability for continuous web access
Physical mail return cadence	Deliver physical boxes of mail by next business day
Daily imaging report	Retrievable within the User Interface
Defect correction	Reference table in Quality Control section.
Re-scan cost	No additional cost to LACERA

Audit log access	On-demand for authorized LACERA personnel
Emergency Notification to LACERA	Within 30 minutes of operational disruption Within 24 Hours of member or personal data breach Within 48 Hours of Security Incident Within 72 Hours of Material Security Event
Data exit on termination	Full transfer of all data and images within 30 days of agreement end

Security, Privacy, and Data Retention

The vendor must adhere to LACERA's security and privacy requirements and must be approved by LACERA InfoSec prior to going-live. Required controls include, at a minimum:

- Data privacy and encryption for stored and transmitted data.
- Single Sign-On (SSO) via Microsoft Entra ID (Azure AD).
- Automatic backups and disaster recovery features.
- Maintained third-party security attestations — SOC 2 Type II and/or ISO 27001 — with current evidence on file.
- A current SOC 2 Type 2 report, a ISO 27001 certification, or fully complete the Vendor Data Security Questionnaire prior to processing LACERA data.
- Vendor digital retention limited to 90 days; vendor must securely delete digital copies thereafter unless explicitly extended in writing by LACERA.
- Member PII handling controls, audit trail of all access, and access review on a defined cadence.

Business Continuity Planning

The vendor must maintain an updated, tested Business Continuity Plan (BCP) that includes, at a minimum:

- On-site recovery teams.
- Off-site data backup and restoration.
- Back-up power arrangements.
- Alternate site of operation and secure document storage location.
- Continuity of check processing during disruption.
- Annual testing of the BCP, with results provided to LACERA.

The Vendor Data Security Questionnaire, attached to this RFP as Exhibit E, must be completed in full by any Respondent that cannot provide a current SOC 2 Type 2 report or ISO 27001 certification. In addition, every Respondent shall identify in its response the physical location of each facility at which LACERA mail, documents or data will be processed or stored, whether any processing, keying, indexing, quality control or support

will be performed outside the continental United States or by an affiliate, and the identity and location of every subcontractor and subprocessor that will have access to LACERA data.

The selected Respondent shall provide a current SOC 2 Type 2 report, ISO 27001 certification or fully complete the Vendor Data Security Questionnaire before any LACERA mail or data is collected or processed.

3. MINIMUM QUALIFICATIONS

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

Relevant experience

- Minimum of three (3) years of demonstrated experience of prior virtual mailroom or mail digitization engagement of comparable scale for pension funds, governmental entities, or other relevant industries.
- Provide client references with contact names, telephone numbers, and email addresses that can provide feedback on work similar to the proposed project.

Core capabilities

- The proposal confirms mail receipt, scanning with OCR, data capture, classification, and routing.
- Check Processing. The proposal confirms the ability to image checks, money orders and returned warrants, extract the data needed for remote deposit, safeguard originals under dual control, and return them to LACERA within the required timelines.

Security and compliance

- The proposal confirms the security and privacy requirements with encryption, role-based access controls, audit trails, and PII protection.

System integration

- The proposal confirms the ability to integrate with LACERA's enterprise environment which includes, but is not limited to OpenText Captiva, IBM FileNet P8, and Microsoft 365.

SLA commitment

- The proposal affirms the ability to meet the defined turnaround and accuracy requirements of the requested SLA.

- Local facility. Respondent operates a secure processing facility that is able to complete daily USPS pickup by 8:00 a.m. and to return documents to LACERA within the timelines stated in the Scope of Work.

References

- Three (3) references from clients for whom the Respondent has performed comparable virtual mailroom or document imaging services, including contact name, title, telephone number, email address, the scale and dates of the engagement, and consent to be contacted. At least one reference shall be a public pension system or other governmental entity, and at least one shall be a former client.

Insurance

- The Respondent is able to obtain and maintain each insurance coverage required by the Agreement for Services, including commercial general liability, auto liability, workers' compensation and employer's liability, errors and omissions, cyber liability, crime and fidelity, and valuable papers and records coverage, at the limits stated in the Agreement.

Subcontractors

- The Respondent has disclosed every subcontractor it intends to use in performing the services, including couriers, hosting and infrastructure providers, artificial intelligence and document processing providers, and any offshore or affiliate function, and accepts that LACERA must approve each subcontractor in advance and that each approved subcontractor will be bound by the same obligations as the Respondent.

4. **INSTRUCTIONS TO RESPONDENTS**

4.1. RFP Important Dates

The following table provides a tentative schedule of important dates and deadlines for this RFP. All dates are subject to modification by LACERA without notice.

Event Description	Date
RFP release date	10/23/2026
Written questions from Respondents due date	11/06/2026
Response to written questions	11/20/2026
RFP due date	12/04/2026

Interview and demonstration: Digital Samples (estimate)	Jan 2027 (estimate)
Interview and demonstration: Physical Samples (estimate)	Jan 2027 (estimate)
Finalist Interviews (estimate)	Feb 2027 (estimate)
Selection Notification (estimate)	Feb 2027 (estimate)
Contract Negotiation (estimate)	Mar 2027 (estimate)
Commencement of work	Upon contract execution

4.2. Response Requirements and Formatting

Respondents to this RFP must submit the following for delivery no later than **5:00 PM PST** on 12/04/2026 through the LACERA Vendor Gateway Portal. Registration is required to access the portal and to participate in the bid process.

Respondents must upload the electronic copy of the proposal in PDF or Microsoft Word format via the LACERA Vendor Gateway Portal. If a Respondent requires any trade secret, confidential, or proprietary information to be exempt from public disclosure, the submission shall include two electronic copies. One copy shall be the complete submission. The second copy shall be redacted, with the applicable areas marked "Confidential", "Trade Secret" or "Proprietary". The redacted copy should redact 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 7920.000, et seq., the "Act"). Redactions should appear as blacked out material. Large sections, tables, or entire blank page(s) shall include the word "CONFIDENTIAL" or "PROPRIETARY" inserted. Each Respondent must indicate the basis for each redaction under the Act with a citation to the code section and subsection relied upon. LACERA cannot guarantee that redacted information will not be publicly available. Please see the section below titled "Notice to Respondents Regarding the Public Records Act and the Ralph M. Brown Act" for further information.

4.2.1. Submittals shall use text 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.

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 Exhibit C and should contain at a minimum:

4.2.1.1. Cover Letter and Checklist. 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 identify your firm's competitive advantage, the specific team that will be working on the LACERA account, and the reasons why the firm should be selected.

4.2.1.2. Minimum Qualifications Certification. You must certify, by completing and signing EXHIBIT B, that your firm meets the minimum qualifications required.

4.2.1.3. Table of Contents. The response must contain a Table of Contents.

4.2.1.4. Proposal. The response must provide a strategy and method that addresses the scope of work. Identify, explain, and redline any exception to the enclosed Agreement for Services (Exhibit D).

4.2.1.5. Questionnaire. Provide your response to the enclosed Questionnaire (Exhibit C). Responses shall be in the prescribed format.

4.2.1.6. IT Security Controls. Acceptable Compliance Certification reports are SOC2, or ISO 27001, or Vendor Data Security Questionnaire.

4.2.1.7. Attachments. 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.

4.2.2. 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.

4.2.3. 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.

Accessibility Accommodation. LACERA is committed to providing equal access to this solicitation process. If you require an accommodation to participate in any aspect of this procurement, please contact the Point of Contact identified in this RFP at least five (5) business days before the applicable deadline or event.

4.3. 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:

Jackson Hsu

Administrative Services Analyst 3

LACERA

Gateway Plaza

300 North Lake Avenue, Suite 650

Pasadena, CA 91101-4199

Email: Jacksonhsu@lacera.gov

Phone: 626-346-0084

4.4. 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.gov and LACERA Vendor Gateway Portal. 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 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 have existing relationships with LACERA must limit their communications between LACERA staff and Board members to the subject of the existing services provided by them.

4.5. Questions relating to this RFP

All questions, inquiries, and requests for additional information concerning this RFP should be received no later than 5:00 PM PDT, November 6, 2026, through the 'My

Questions/Answers' section of the Opportunity Details page in the LACERA Vendor Gateway Portal. All questions received and responses thereto will be posted on the 'Questions & Answers' Section of the Opportunity Details page in the LACERA Vendor Gateway Portal and on LACERA's website (www.lacera.gov) under the "Business Opportunities" section that relates to this RFP (<https://www.lacera.gov/who-we-are/business-opportunities>) on or about 5:00 PM PST, November 20, 2026.

4.6. RFP Scoring and Selection Criteria

RFPs will be scored according to Exhibit F, Selection Criteria. LACERA staff may select Respondents based upon the selection criteria or using a combination of onsite interviews and reference verification.

The highest scoring 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).

Selection Process. LACERA generally follows the steps below when evaluating proposals and awarding a contract under this RFP: (1) LACERA staff will review and score all complete proposals received against the criteria set forth in Exhibit F; (2) based on initial scoring, LACERA may identify a shortlist of top-ranked Respondents; (3) LACERA reserves the right, but is not obligated, to conduct interviews, product demonstrations, or presentations with any or all Respondents; (4) LACERA may submit written follow-up questions to any Respondent at any stage; (5) LACERA will conduct reference checks on Respondents under serious consideration for award; and (6) LACERA will make an award recommendation in accordance with its approval requirements.

LACERA reserves the right to proceed through any or all of these steps in any order, to skip steps, or to request additional information at any time. Participation in any step does not guarantee an award.

Acceptance and Beta Testing. Results of the two-round beta test described in this RFP will be scored within the applicable evaluation criteria in Exhibit F. Failure to complete either round when requested may result in a proposal being declared non-responsive.

Best Value Standard. LACERA will award a contract, if at all, based on best value to LACERA, and not solely on the lowest fee proposal or the highest score. Best value means the proposal that offers the optimal combination of qualifications, experience, technical approach, team, security posture, and fee, as determined by LACERA in its sole discretion.

5. 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

7920.000, 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 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 and will make its own independent determinations as to what materials are subject to production under the Act without regard to redactions or markings.

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.

6. DIVERSITY, EQUITY, AND INCLUSION

LACERA values diversity, equity, and inclusion (“DEI”), and believes that effectively accessing and managing diverse talent leads to improved outcomes. LACERA takes a broad view of diversity, inclusive of varied backgrounds including, but not limited to, age, experience, race, ethnicity, sexual orientation, gender identity, disability status, national origin, and culture. LACERA expects its business partners to respect and reflect LACERA’s value of DEI.

Responses to Exhibit G are requested for informational and monitoring purposes only. They will not be scored, and LACERA will not grant preferential treatment to, or discriminate against, any Respondent on the basis of race, sex, color, ethnicity, or national origin, consistent with Article I, Section 31 of the California Constitution.

- Description of diversity policies, practices, and procedures maintained by the firm regarding equal employment opportunity, including the recruitment, development, retention, and promotion of a diverse and inclusive workforce, non-discrimination based on gender, race, ethnicity, sexual orientation, age, disability status, veteran’s status, and other legally protected categories, and prohibition of sexual harassment in the workplace. If the Respondent has written policies that address these matters, provide copies along with the response to this RFP.
- The oversight, monitoring, and other compliance processes for implementation and enforcement of the firm’s diversity policies, practices, and procedures, including the name of the individual who is responsible for oversight of the firm’s method to measure the effectiveness of the policies, and conclusions as to effectiveness.
- Any judicial, regulatory, or other legal findings, formal action, or claims related to equal employment opportunity, workplace discrimination, or sexual harassment during the past twelve (12) years

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.

The finalist selected through this procurement will have access to sensitive information protected by LACERA’s internal policies, State, 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 Vendor Data Security Questionnaire. 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 D. 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 D in our sole discretion.

Respondents are required in their response to 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 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 three (3) years, beginning from the date of final execution. All contracts may be terminated at LACERA's convenience at any time.

Subcontractors. Respondents must disclose in their proposals any subcontractors they intend to use in performing services under this RFP, including the identity, location, and proposed role of each subcontractor and whether it will have access to LACERA data. For this engagement, subcontractors include without limitation couriers and transport providers; cloud hosting, data center and infrastructure providers; optical character recognition, intelligent document processing and artificial intelligence providers; and any offshore or affiliate keying, indexing, quality control or support function. LACERA must approve all subcontractors in advance and reserves the right to reject any proposed subcontractor in its sole discretion. All approved subcontractors shall be bound by the

same terms and obligations as the vendor under the resulting agreement, including without limitation confidentiality, data protection, background check, insurance, audit and compliance requirements, and shall be included within the scope of the vendor's SOC 2 reporting. The vendor remains fully responsible to LACERA for all work performed by any approved subcontractor.

Conflict of Interest. Respondents must disclose any potential conflicts of interest in their proposals. The agreement attached as Exhibit D contains conflict of interest provisions applicable to the selected vendor. LACERA's Ethics Policy governs conflicts of interest and ethical conduct related to this procurement and is available on LACERA's website at lacera.gov.

Termination Rights. The final contract must permit LACERA to terminate for its convenience and for default, and must not renew automatically.

9. RESERVATIONS BY LACERA

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

- 9.1. Cancel or modify this RFP, in whole or in part, at any time.
- 9.2. 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.
- 9.3. 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.
- 9.4. 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.
- 9.5. 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.
- 9.6. 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.

- 9.7. 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.
- 9.8. Determine the extent, without limitation, to which the services of a successful Respondent are or are not actually utilized.
- 9.9. Defer selection of a winning bidder to a time of LACERA's choosing.
- 9.10. Consider information about a Respondent in addition to the information submitted in the response or interview.
- 9.11. Add terms and conditions at any point in this process.
- 9.12. 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.

Record Retention. LACERA retains all procurement records, including proposals and correspondence submitted in response to this RFP, for a minimum of seven (7) years in accordance with LACERA's records retention policy. Such records may be subject to disclosure as public records under the California Public Records Act at any time during or after that period.

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EXHIBIT A

PROPOSAL COVER PAGE AND CHECKLIST (TO BE SUBMITTED ON RESPONDENT'S LETTERHEAD)

Respondent Name:

Respondent Address:

By submitting this response, the undersigned hereby affirms and represents that they have reviewed the proposal requirements and have submitted a complete and accurate response to the best of their knowledge. By signing below, I hereby affirm that the Respondent has reviewed the entire RFP and intends to follow all requirements.

Respondent specifically acknowledges the following facts:

1. Respondent has the required technical expertise and has sufficient capacity to provide the services outlined in the RFP.
2. Respondent has no unresolved questions about the RFP and believes that there are no ambiguities in the scope of work.
3. The fee schedule or price proposal sent in response to the RFP is for the entire scope of work and no extra charges or expenses will be paid by LACERA.
4. Respondent has completely disclosed to LACERA all facts bearing upon any possible interests, direct or indirect, that Respondent believes any member of LACERA, or other officer, agent, or employee of LACERA presently has, or will have, in this contract, or in the performance thereof, or in any portion of the profits thereunder.
5. Materials contained in proposals and all correspondence and written questions sent during the RFP process may be subject to disclosure pursuant to the "California Public Records Act (California Government Code Section 7920.000, et. Seq., the "Act").
6. Respondent is not currently under investigation by any state or federal regulatory agency for any reason.
7. The signatory below is authorized to bind the Respondent contractually.

EXHIBIT A

CHECKLIST

Respondent confirms that the following are included in its response	Respondent	LACERA
Cover letter signed by an authorized signatory	☐	☐
Exhibit A cover page and checklist	☐	☐
Exhibit B Minimum Qualifications Certification	☐	☐
Table of contents	☐	☐
Proposal responding to the Scope of Work	☐	☐
Responses to the Exhibit C questionnaire and additional questions	☐	☐
Fee proposal in the form required by the RFP	☐	☐
Exceptions to the Agreement for Services in the form required by the RFP, or a statement that no exceptions are taken	☐	☐
Security Compliance Certification or completed Vendor Data Security Questionnaire	☐	☐
Three client references	☐	☐
Subcontractor disclosure	☐	☐
Resumes and organization chart for proposed key personnel	☐	☐
Certificates of insurance or written confirmation of the ability to obtain the required coverages	☐	☐

EXHIBIT B

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:

Relevant experience

- Minimum of three (3) years of demonstrated experience of prior virtual mailroom or mail digitization engagement of comparable scale for pension funds, governmental entities, or other relevant industries.
- Provide client references with contact names, telephone numbers, and email addresses that can provide feedback on work similar to the proposed project.

Core capabilities

- The proposal confirms mail receipt, scanning with OCR, data capture, classification, and routing.
- Check Processing. The proposal confirms the ability to image checks, money orders and returned warrants, extract the data needed for remote deposit, safeguard originals under dual control, and return them to LACERA within the required timelines.

Security and compliance

- The proposal confirms the security and privacy requirements with encryption, role-based access controls, audit trails, and PII protection.

System integration

- The proposal confirms the ability to integrate with LACERA's enterprise environment which includes, but is not limited to OpenText Captiva, IBM FileNet P8, and Microsoft 365.

SLA commitment

- The proposal affirms the ability to meet the defined turnaround and accuracy requirements of the requested SLA.
- Local facility. Respondent operates a secure processing facility that is able to complete daily USPS pickup by 8:00 a.m. and to return documents to LACERA within the timelines stated in the Scope of Work.

References.

- Three (3) references from clients for whom the Respondent has performed comparable virtual mailroom or document imaging services, including contact name, title, telephone number, email address, the scale and dates of the engagement, and consent to be contacted. At least one reference shall be a public pension system or other governmental entity, and at least one shall be a former client.

Insurance.

- The Respondent is able to obtain and maintain each insurance coverage required by the Agreement for Services, including commercial general liability, auto liability, workers' compensation and employer's liability, errors and omissions, cyber liability, crime and fidelity, and valuable papers and records coverage, at the limits stated in the Agreement.

Subcontractors.

- The Respondent has disclosed every subcontractor it intends to use in performing the services, including couriers, hosting and infrastructure providers, artificial intelligence and document processing providers, and any offshore or affiliate function, and accepts that LACERA must approve each subcontractor in advance and that each approved subcontractor will be bound by the same obligations as the Respondent.

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

EXHIBIT C

QUESTIONNAIRE

RESPONDENT SHALL USE QUESTIONNAIRE NUMBERING IN ITS PROPOSAL

Requirements	Explanation	Indicate Exception to Requirements or State "As Specified" below.
Perform daily pickup of physical mail addressed to LACERA, from LACERA's PO Box in Pasadena, CA 91109	Vendor will pick up, sign for, and deliver electronic receipt of pickup to LACERA parties. The expectation is 250-300 parcels per business day.	
Vendor will maintain documented chain of custody for physical mail pickup	Vendor will maintain a documented and auditable record of physical mail custody from pickup through delivery to ensure accountability and security.	
Vendor shall prevent loss, damage, or commingling with other clients' mail	Vendor will ensure LACERA's mail remains secure, segregated, and protected from loss, damage, or cross-contamination with other clients' materials.	
Vendor shall sort physical mail into three categories and apply category-specific handling.	Category 1 Member Correspondence (scan); Category 2 Business Mail (scan and route); Category 3 Business Solicitations (date stamp and forward; no scanning).	
Vendor shall Ingest incoming digital documents from all identified sources into one standardized workflow.	Sources include: eFax (PDF email attachments), online portal uploads (PDF queues), and dedicated email addresses	

Requirements	Explanation	Indicate Exception to Requirements or State "As Specified" below.
From physical mail, vendor shall sort and separate <u>Exempt Mail</u> - business solicitations, newspapers, magazines, and books from imaging services	Vendor will exclude exempt mail from imaging. LACERA will provide a complete list of exempt mail prior to the start of vendor's performance.	
From physical mail, vendor shall sort <u>Business Mail</u> and prepare mailings for imaging services	Vendor shall sort, separate and prepare Business Mail for imaging services. LACERA will provide a complete list of Business Mail contacts and addresses prior to the start of vendor's performance. Vendors shall send scanned documents to the designated recipients.	
From physical mail, vendor shall sort and separate <u>Member Correspondence</u> and prepare mail for imaging services	Vendor shall sort, separate, and assign accurate document type according to LACERA's Document Library for all Member Correspondence for imaging services. Mail is addressed to 'LACERA' or LACERA's PO Box	
Vendor shall deliver Exempt Mail to LACERA within the agreed upon timeline.	Category 1 Member Correspondence (scan); Category 2 Business Mail (scan and route); Category 3 Business Solicitations (date stamp and forward; no scanning).	
Vendor shall provide a daily report of all processed physical and digital documents, including Exempt Mail delivered to LACERA, to be accessible in the user interface.	Daily report made available in the user interface and emailed to designated LACERA staff	

Requirements	Explanation	Indicate Exception to Requirements or State "As Specified" below.
Vendor shall perform special handling for Business Mail- Legal Office, Human Resources, Board or Trustee related mailings		
From mailings set for imaging services, vendor will remove the documents from the envelope and inspect them for tears, holes, stains	Vendor shall add a disclaimer cover page indicating damage and/or missing pages. Contents must be kept together.	
For mailing, vendor shall attempt to improve image quality for old, worn, damaged, illegible documents	If image quality falls below benchmark, vendor shall add disclaimer cover page stating 'best image available'	
The vendor must scan all contents within each piece of mail for member correspondence, including the envelope.	Identify each enclosed document type, and maintain document order and integrity. Each document must be traceable to its original envelope because key information needed for processing may appear on the envelope	
Envelopes and their contents must stay together throughout the process, including items such as handwritten notes and post it's.		
Vendor shall process <u>Certified Copies of Vital Records and Legal Documents</u>	Vendor must prepare originals for imaging and add disclaimer cover page indicating	

Requirements	Explanation	Indicate Exception to Requirements or State "As Specified" below.
	document was received as 'original'.	
Vendor shall place original and certified copies of vital records and legal documents in a secured envelope labeled "Certified Copies of Vital Records and Legal Documents" and store them in a secure location until delivery to LACERA.		
Vendor shall have the ability to prioritize the imaging of <u>Checks, Money Orders, and LACERA Warrants</u>	Vendor must image each check separately and must extract check metadata needed for remote deposit, including the check number, written amount, numeric amount, check date, date received, and signature. The vendor must also image the related enclosed documents and envelope.	
Upon sorting, and creating image of <u>Checks, Money Orders, LACERA Warrants</u> -vendor must ensure delivery of originals to LACERA	Vendor shall place original checks in a secured envelope labeled "Checks" with the received date, and store them in a secure location until delivery to LACERA.	
In event of emergency or natural disaster, vendor shall ensure original checks are delivered to LACERA via alternate methods,		

Requirements	Explanation	Indicate Exception to Requirements or State “As Specified” below.
such as FedEx or Courier		
Returned LACERA issued checks or Warrants shall be stamped VOID on the original warrant	Vendor must stamp or write ‘VOID’ on the original return warrant. Vendor must scan warrant and envelope as one document for imaging.	
Imaged documents shall be de-skewed, de-speckled, and oriented correctly	Text and writing must be readable up to edge of page	
Vendor shall ensure imaging of double-sided documents		
Vendor shall identify intended blank pages and mark with ‘Blank Page’		
Color documents will be scanned in color based on a specified threshold, otherwise black and white	Scans will be 300 DPI or 200 DPI where applicable	
Documents scanned in black and white	Scans will be 300 DPI or 200 DPI where applicable	
Allows for TIFF format of documents	Scans will be 300 DPI, CCITT compression or better, 1-bit for B&W, 24-bit or less for color documents	
Allows for file compression of TIFF formatted documents		
Allows for Adobe PDF 1.7 format specification		
Allows for full text searchable PDF		

Requirements	Explanation	Indicate Exception to Requirements or State “As Specified” below.
PDF format has no fast-web view		
PDF format has no native security on document		
PDF is single layer		
PDF has no image down-sampling		
PDF formatted documents can embed XMP for metadata		
For Member correspondence with barcodes, imaging shall detect metadata fields	Vendor process will detect 3 of 9 barcode font on documents, retrieve and store metadata	
For imaged correspondence, imaging shall detect retrievable metadata via OCR	Vendor process will detect and deliver metadata during imaging process and save metadata to document XML or XMP	
For processed correspondence and documents, system shall detect retrievable metadata via IDP	Vendor process will detect and deliver metadata during processing and save metadata to document XML or XMP	
An index file shall be generated to identify documents and their images and to communicate issues that may require troubleshooting	Index file may be a CSV, PSV or JSON	
For digital platforms, For digital submissions, the solution must be able	Members often combine several unrelated documents into a single PDF when	

Requirements	Explanation	Indicate Exception to Requirements or State "As Specified" below.
to identify, separate, index, and classify multiple document types contained within a single PDF and apply the appropriate document type codes and metadata to each resulting document.	submitting information through eFax, the member portal, or email. For example, a single submission may include a retirement application, beneficiary designation form, proof of birth, and proof of identity. The solution should automatically detect document breaks, separate each document into individual records, and apply the appropriate document classification and indexing metadata to support efficient processing and routing.	
Index file shall contain a unique Document ID		
Index file shall have sequential file name or similar		
Index file shall contain SHA-256 file hash		
Index file shall include one line for each page in a document		
Files names must be unique per document		
Imaged daily documents, plus Index file, shall be transmitted to LACERA daily	Acceptable transmission methods: SFTP provided by LACERA; SFTP provided by vendor; or a web-	

Requirements	Explanation	Indicate Exception to Requirements or State “As Specified” below.
	based digital staging solution approved by LACERA InfoSec.	
Imaged documents transfer must occur minimum of three times a day		
Vendor-held imaged document retention is limited to 90 days unless explicitly requested otherwise by LACERA in writing		
Upon transmittal of imaged documents, vendor shall ensure the information is accessible via the user interface		
The vendor must support audit or tracking of documents sent to LACERA on a daily or incremental basis through the user interface		
Vendor will store physical documents in bankers’ boxes or equivalent for one business day	Logging (sender/date/time/status), verification, alerts for failures/discrepancies, reporting, and access control to audit logs and reports.	
Vendor shall deliver physical boxes of received documents to LACERA by the next business day	Each box must be less than 12 lbs, and contain labels with 1) received date 2) scanning date, 3) document range ID 4) number of boxes per date 5) unique box identifier	

Requirements	Explanation	Indicate Exception to Requirements or State "As Specified" below.
The vendor must support on-demand reporting of business insights via the user interface		
In event of emergency, vendor shall store documents in secured location		
In event of emergency, vendor shall store physical documents up to 6 months or until LACERA's building is deemed safe for work		
Vendor shall provide adequate safeguards to protect storage of documents and prevent against loss, damage, unauthorized access		
Vendor shall provide reliable front end software solution	Uptime of 99.9%	
Vendor application will provide secure and private virtual mail inboxes for users to view/download <u>Business Mail</u>	A list of recipients will be provided by LACERA	
Application shall contain the ability to setup users, groups and workflows	UI supports viewing, editing, and updating metadata; integrates with LACERA back-end; supports routing features, workflows, and definable inboxes.	
Application will allow for editing document metadata		
Provide on-demand access for LACERA to all generated information and reports.	Audit trail and reports accessible to LACERA; supports operational oversight and compliance.	

Requirements	Explanation	Indicate Exception to Requirements or State “As Specified” below.
Application must provide standardization across channels so staff work a consistent queueing/routing model from the user interface.	Regardless of intake source (mail/portal/eFax/email/repository), documents enter a unified workflow with consistent metadata, routing, and search behaviors.	
System is a user-friendly interface with minimal training required		
System will adhere to security and compliance standards; LACERA InfoSec approved		
System will ensure 99.9% uptime availability for continuous global access	Software system shall provide for continuous access via web	
Scalable to accommodate growth without performance loss	Process and software shall absorb seasonal increases in parcel and page counts	
Automatic backups and disaster recovery features		
Clear documentation, user guides, and dedicated vendor technical support		
Data privacy and encryption for stored/transmitted data		
Support Single Sign-On (SSO) for streamlined access	Azure/Entra ID	
Seamless integration with enterprise systems		

Requirements	Explanation	Indicate Exception to Requirements or State “As Specified” below.
System configurability without extensive custom development		
Seamless upgrades and maintenance with minimal downtime		
Vendor retains digital copies for 90 days and deletes thereafter unless explicitly requested by LACERA.		
Enable one-business-day turnaround or less for specific mail types (e.g., checks and business mail) and correction of scanning defects within the agreed upon timeline.		
Vendor maintains a tested BCP covering recovery, backups, power, alternate operations, check processing continuity, and secure document storage.		
LACERA owns all data and images; vendor transfers all data/images within 30 days of agreement end.		

FEE SCHEDULE

Respondent to submit fee schedule for per-page per service component breakdown. LACERA has provided an example service component list. LACERA may award one, or multiple components in the first or subsequent fiscal year.

Tier	Scope	Pricing Basis
Tier 1 — Basic component	Physical mail pickup, sort, prep, scanning, indexing, and electronic delivery; digital ingestion (eFax, email, portal); standard front-end UI; audit trail and reporting; BCP.	By per-page and/or per-piece rate; or by monthly minimum rate
Tier 2 — Advanced component	Tier 1 Basic component plus AI/OCR/IDP-based document classification across LACERA's 500+ document type library, advanced metadata extraction, and exception-handling automation.	By per-page and/or per-piece rate; or by monthly minimum rate

Pricing must include all pass-through costs (transportation, storage, supplies). Any future expansion of scope (for example, additional intake channels or additional integration endpoints) must be addressable through a contract amendment with documented unit pricing.

Fee Proposal. Respondents shall propose pricing on a per-piece and/or per-page basis, which may include volume tiers. Respondents must separately identify and price any other fee or charge they would bill to LACERA. Such fees and charges include, by way of example only, implementation or set-up fees, subscription or license fees, monthly minimums, tier or overage rates, hourly rates for change-order work, storage, transportation or courier charges, and any proposed annual increase, which must be stated as a fixed percentage cap. These examples are illustrative and not exhaustive. Any fee, charge or cost that is not expressly identified and priced in the Respondent's fee proposal is deemed included in its proposed rates and will not be payable by LACERA during the initial term or any extension.

Expenses. Vendor expenses, including travel, reproduction, courier, storage, supplies and other direct costs, are not automatically reimbursable and are deemed included in the proposed pricing. Expenses will be reimbursed only with LACERA's advance written approval on a case-by-case basis. All approved expenses must be reasonable, documented, and submitted with invoices. No markup is permitted on expenses.

Rate Validity. Proposed rates submitted in response to this RFP shall remain valid for the initial term of any contract executed under this RFP. Rates may not be increased without LACERA's prior written approval, and any escalation proposed for an extension term must be stated in the fee proposal and is subject to a cap agreed by LACERA.

Fixed-Fee Capability. Where the scope of a discrete project or deliverable is well defined, LACERA's preference is to award work on a fixed-fee, fixed-deliverable basis. Respondents shall indicate whether and under what circumstances they are able to offer fixed-fee pricing.

PRODUCT DEMONSTRATION, ACCEPTANCE, AND BETA TESTING

Acceptance criteria for major requirements will be validated through a structured two-round beta test during the procurement and contracting phase:

Round 1 — Digital-only samples: Scanned sample documents will be sent to all responding vendors to validate digital ingestion and downstream processing capability.

Round 2 — Physical mail samples: A shortlisted set of vendors will receive realistic physical mail packets for end-to-end processing, including pickup, sort, prep, scan, index, and delivery.

LACERA will provide test packets that exercise representative document types, including barcoded and non-barcoded member correspondence, business mail, certified copies, and checks. Test data will be drawn from LACERA test accounts to enable end-to-end workflow validation through Captiva and downstream LACERA systems. Before receiving any test packet, each Respondent must execute LACERA's confidentiality agreement and must return or securely destroy all test materials at the conclusion of testing.

ASSUMPTIONS AND CONSTRAINTS

- Vendor pickup location for physical mail is the United States Postal Service Office at 600 Lincoln Avenue, Pasadena, CA 91109.
- Average monthly physical mail volume is approximately 6,500 pieces (approximately 41,000 pages).
- Physical mail is returned to LACERA in boxes on a schedule of next-business-day.
- LACERA provides and maintains a Document Type Library of 500+ document types (~100 most common). LACERA may also provide barcode samples and exempt-mail lists.
- Vendor must operate within LACERA's privacy and security requirements, including a 90-day digital retention cap unless LACERA explicitly directs otherwise.

GLOSSARY OF TERMS

This glossary ensures consistent understanding of key terms used throughout this Scope of Work for all stakeholders, including LACERA staff, vendors, and partners.

Term	Definition
Audit Trail	A record that captures all actions performed on documents and data, including processing steps, transfers, access, and changes, to ensure transparency and accountability.

Barcode Recognition	The process of reading machine-readable codes (e.g., 3-of-9 barcode) on documents to automatically extract predefined metadata for classification and routing.
Business Continuity Plan (BCP)	A documented strategy that ensures continued operations of document processing services during disruptions such as natural disasters, system failures, or facility closures.
Business Mail	Mail addressed to LACERA staff, executives, trustees, or divisions that may require delivery, review, or special handling rather than standard imaging workflows.
Chain of Custody	A documented process that tracks the physical movement and handling of mail and documents from pickup through processing and delivery to ensure security and accountability.
Classification	The process of identifying and categorizing documents into predefined document types based on content, format, or metadata.
Digital Ingestion	The process of capturing and processing documents received electronically through channels such as eFax, email, or member portals.
Document	One or more pages of the same document type, handled together or separately based on processing requirements.
Document Imaging	The process of converting physical documents into digital images through scanning, including preparation, image enhancement, and formatting.
Document Type Library	A predefined list of document categories (e.g., 500+ types) used to classify and manage incoming documents.
eFax	A system that receives fax transmissions electronically and delivers them as digital files (typically PDF) via email or other systems.
Index File	A structured file (e.g., CSV, PSV, JSON) that contains metadata and identifiers used to associate scanned images with their corresponding documents.
Indexing	The process of assigning metadata to documents (e.g., document type, identifiers, timestamps) to enable search, retrieval, and routing.

Intelligent Document Processing (IDP)	Technology that uses OCR, machine learning, and automation to extract and classify data from documents without predefined barcodes.
Metadata	Descriptive information about a document (e.g., document type, member ID, date received) used for classification, routing, and retrieval.
Optical Character Recognition (OCR)	Technology that converts scanned images of text into machine-readable text for indexing and search.
Physical Mail	Hard copy documents received through postal services, including letters, packages, and parcels.
Retention (Digital and Physical)	The defined period during which documents are stored before secure deletion or disposal, in accordance with policy and regulatory requirements.
Scanning Facility	The vendor-operated location where physical mail is received, processed, and converted into digital format.
Secure File Transfer Protocol (SFTP)	A secure method for transferring files between systems over an encrypted connection.
Service Level Agreement (SLA)	Defined performance standards that the vendor must meet, such as turnaround times, system availability, and error correction timelines.
Single Sign-On (SSO)	An authentication method that allows users to access multiple systems using one set of credentials (e.g., Microsoft Entra ID).
Virtual Mailroom	A vendor-provided solution that digitizes and centralizes the handling of incoming physical and electronic documents into a unified workflow.
Workflow	The standardized sequence of steps that documents follow from intake through processing, indexing, delivery, and storage.

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this “**Agreement**”) is dated as of ____ [date] ____, by Los Angeles County Employees Retirement Association, a California public pension plan, (“**Disclosing Party**”) and ____ [Recipient] ____, a [entity type], having an office at ____ [location] ____ (“**Recipient**”).

Disclosing Party is soliciting qualified firms to provide virtual mailroom solutions for document imaging and categorization in the form of an RFP, Recipient is a respondent to the RFP. As such, Disclosing Party will provide Recipient with confidential data in order to have the Recipient demonstrate how its product and services meet Disclosing Party’s requirements (the “Demonstration”).

1. **Confidential Information, Representatives.** In connection with the contemplated Demonstration, Disclosing Party may provide certain confidential, proprietary and non-public information regarding its business, organization, data and processes (collectively, the “**Confidential Information**”) to Recipient in order to conduct the Demonstration. “Confidential Information” shall include all documents, and other written or oral information, as well as diskettes and other forms of electronically transmitted data provided by Disclosing Party for the Demonstration or otherwise furnished to Recipient or its affiliates, officers, directors, employees, agents, advisors or representatives (collectively “**Representatives**”) by Disclosing Party t. As a condition to the Confidential Information being furnished to Recipient and its Representatives, Recipient agrees to treat the Confidential Information in accordance with the provisions of this Agreement and to take or abstain from taking certain other actions hereinafter set forth.

2. **Excluded Information.** The Confidential Information shall not include information that (a) is or becomes publicly available other than as a result of acts by Recipient or its Representatives in breach of this Agreement, (b) is in Recipient’s possession prior to disclosure by Disclosing Party (other than as a result of prior disclosure to Recipient or its Representatives by or on behalf of Disclosing Party), provided that the source of such information, insofar as is known to Recipient or any of its Representatives receiving such information after due inquiry, was not prohibited from transmitting such information to Recipient or its Representatives by a contractual, legal, fiduciary or other obligation, or (c) was independently developed by the Recipient without use of or reference to the Information by persons who had no access to the Confidential Information.

3. **Non-Disclosure of Confidential Information.** Recipient and its Representatives shall use the Confidential Information solely for the purpose of the Demonstration. Recipient shall keep the Confidential Information strictly confidential and shall not disclose, in whole or in part, or use, directly or indirectly, any of the Confidential Information in any other manner whatsoever; provided, however, that (a) Recipient may make any disclosure of information contained in the Confidential Information to which Disclosing Party gives its prior written consent, and (b) any information contained in the Confidential Information may be disclosed to Recipient’s Representatives, but only to those Representatives of Recipient who need to know such information for the purpose of preparing and providing the Demonstration, who are informed by

Recipient of the confidential nature of the Confidential Information and who agree to be bound by the terms of this Agreement. Recipient agrees that Recipient shall be fully responsible for any breach of this Agreement and resulting damages by any of its Representatives.

4. **Destruction/Deletion of Confidential Information.** Promptly upon the written request of Disclosing Party (but in no event later than the earlier of the occurrence of the date of the Demonstration), Recipient shall destroy/delete all copies of the Confidential Information to Disclosing Party and will not retain any copies, extracts or other reproductions in whole or in part of such material, and all notes, studies, reports, memoranda and other documents prepared by Recipient or its Representatives that contain or reflect the Confidential Information shall be destroyed; provided that, Recipient may retain (i) any Information that it believes cannot readily be destroyed or accessed (such as e-mail back-up records, back-up server tapes and any similar such automated record-keeping or other retention systems) and (ii) any copies necessary to satisfy any applicable legal or bona fide internal document retention requirements. After written request from Disclosing Party pursuant to the terms of the first sentence of this Section 4, Recipient will certify to Disclosing Party that Recipient has fully complied with the requirements of this Section 4. Notwithstanding the destruction/deletion of the Confidential Information, Recipient and its Representatives will continue to be bound by their obligations of confidentiality and other obligations hereunder.

5. **Subpoena or Court Order.** In the event that Recipient or anyone to whom Recipient discloses the Confidential Information receives a request to disclose all or any part of the Confidential Information under the terms of a subpoena or other order issued by a court of competent jurisdiction or by another governmental agency, Recipient shall to the extent legally permissible (a) promptly notify Disclosing Party of the existence, terms and circumstances surrounding such a request, (b) consult with Disclosing Party on the advisability of taking steps to resist or narrow such request, (c) if disclosure of such Confidential Information is required, furnish only such portion of the Confidential Information as Recipient is advised by counsel is legally required to be disclosed, and (d) cooperate with any action reasonably requested by Disclosing Party in Disclosing Party's efforts to obtain an order or other reliable assurance that confidential treatment will be accorded to such portion of the Confidential Information that is required to be disclosed.

7. **No Representation.** This Agreement will not constitute any representation, warranty or guarantee by Disclosing Party with respect to the accuracy or completeness of the Confidential Information and none of Recipient or any of its Representatives will be entitled to rely on the accuracy or completeness of the Confidential Information, or any of it. Neither Disclosing Party nor any person or entity who owns a direct or indirect interest in Disclosing Party nor any of their respective affiliates, officers, directors, employees, agents, advisors or representatives will have any liability for any errors or omissions in the Confidential Information or the use or the results of the use of the Confidential Information.

8. **Remedies.** Recipient acknowledges that in the event of any breach of this Agreement, Disclosing Party may not be made whole by monetary damages. Accordingly, Disclosing Party, in addition to any other remedy to which it/they may be entitled in law or in equity, shall be entitled to seek an injunction to prevent breaches of this Agreement, and to an order compelling specific

performance of this Agreement. Recipient will be responsible for reimbursing any costs and expenses that Disclosing Party incurs enforcing its rights under this Agreement.

9. **Miscellaneous.** This Agreement represents the entire understanding and agreement of the parties hereto with respect to the matters contained herein and may be modified or waived only by a separate writing executed by Disclosing Party and Recipient expressly so modifying or waiving this Agreement. No failure or delay by Disclosing Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder. If any provision of this Agreement is held to be invalid or unenforceable in whole in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect. This Agreement shall be governed and construed in accordance with the laws of the State of California, without regard to the laws of conflict of laws. Any legal action initiated to enforce any provision of this Agreement shall be brought and conducted in the County of Los Angeles, State of California. Each party hereby consents to such venue and the personal jurisdiction of all courts sitting within such location. In the event of any action or proceeding to enforce this non-disclosure agreement, the prevailing party shall be entitled to recover from the losing party its reasonable attorneys' fees, expert witness fees, disbursements and court costs. Neither Disclosing Party nor Recipient may assign any or all rights, powers, privileges and obligations under this Agreement without the other party's prior written consent. Subject to the limitations set forth in this Agreement, this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns. This Agreement may be signed in counterparts and may be delivered by facsimile or email transmission, and each counterpart and facsimile or email transmission will be considered an original, but all of which, when taken together, will constitute one instrument.

[END OF TEXT; SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, this Agreement is executed and delivered effective as of the date first above written.

DISCLOSING PARTY:

**LOS ANGELES COUNTY EMPLOYEES
RETIREMENT ASSOCIATION**
a California public pension plan

By: _____
Name: _____
Title: _____

RECIPIENT:

XXX
a [type of entity]

By: _____
Name: _____
Title: _____

EXHIBIT D

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 VIRTUAL MAILROOM

This Contract for Virtual Mailroom ("Contract") is made and entered into by and between Los Angeles County Employees Retirement Association ("LACERA") and {---Company Name---} ("Vendor"), and is effective as of the date shown in Section 5.

Recitals

LACERA seeks the services of a company that offers outsourced virtual mailroom services, including daily mail pickup, preparation, scanning, indexing, classification, secure electronic delivery, and return of physical documents and negotiable instruments.

Vendor represents that they offer the Virtual Mailroom services that LACERA seeks.

Contract

1. Services to be Provided.

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

1.2 Vendor shall perform the Services at Vendor's secure facilities located within the continental United States that have been identified to and approved by LACERA in accordance with Section 31, and, as the Statement of Work requires, at the designated United States Postal Service location and LACERA's offices.

1.3 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.

1.4 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.

1.5 Vendor's RFP Proposal, and the Exhibits, Schedules, and Attachments, are incorporated in and made a part of this Contract by reference. If any conflict, inconsistency, or ambiguity arises between or among this Contract and the incorporated documents, the following order of precedence shall govern: (1) the terms of this Contract; (2) the Attachments to this Contract, in the order in which they are listed; and (3) Vendor's RFP Proposal. Any terms proposed by Vendor that are not expressly incorporated into this Contract, including without limitation Vendor's standard terms of service, end user license agreements, click-through or click-wrap terms, order forms, quotes, and support or maintenance policies, are void and of no force or effect, whether presented before or after execution of this Contract.

2 Independent Contractor.

2.1 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.

2.2 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.

2.3 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.

2.4 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 it from this Contract to the appropriate taxing authorities.

2.5 Subcontractors. Vendor shall not subcontract or delegate any portion of the Services without LACERA's prior written approval. Vendor shall disclose to LACERA, before engagement and thereafter before any change or addition, each proposed subcontractor, its location, its proposed role, and whether it will have access to LACERA Data. For purposes of this Section, subcontractors include without limitation couriers and transport providers; cloud hosting, data center and infrastructure providers; optical character recognition, intelligent document processing and artificial intelligence providers; and any offshore or affiliate keying, indexing, quality control or support function. LACERA may reject any proposed subcontractor in its sole discretion and may require the removal of any subcontractor for cause. Approved subcontractors shall be listed in Attachment G. All approved subcontractors shall be bound in writing by the same terms and obligations as Vendor under this Contract, including without limitation confidentiality, Member Records, data protection, data residency, background check, insurance, audit and record retention requirements, and shall be included within the scope of the SOC 2 reporting required by Section 17. Vendor remains fully responsible to LACERA for all work performed by, and for all acts and omissions of, any subcontractor as if they were Vendor's own.

3. LACERA's Project Director.

LACERA's Project Director, or designee, has responsibility for determining whether the Services are performed to LACERA's satisfaction. LACERA's Project Director is {--Project Director--}.

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 insurance programs specified in this Contract. Such insurance will be primary and not contributing with any other insurance or 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 LACERA prior to commencing services under this Contract and annually thereafter to:

LACERA
Administrative Services, Vendor Management Group
300 N. Lake Avenue, Suite 650
Pasadena, CA 91101-4199
vendormanagement@lacera.gov

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 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 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 \$3,000,000 per occurrence and an annual aggregate of at least \$3,000,000. 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.

4.14 Crime and Fidelity Insurance. Vendor shall provide and maintain crime insurance, including employee dishonesty and third-party or client coverage, with limits of not less than \$1,000,000 per loss, covering the theft, misappropriation or conversion of money, securities or other property of LACERA or its members, including checks, money orders and warrants, by Vendor's personnel or subcontractors. LACERA shall be named as loss payee as its interests may appear.

4.15 Valuable Papers and Records; Care, Custody and Control. Vendor shall provide and maintain valuable papers and records coverage, and care, custody and control coverage, with limits of not less than \$1,000,000 per occurrence, covering the loss, damage or destruction of original and certified documents belonging to LACERA or its members while in Vendor's custody, at Vendor's facilities and in transit.

4.16 Subcontractors. Vendor shall ensure that each approved subcontractor, including any courier or transport provider, either is covered under Vendor's policies for the Services it performs or maintains insurance of the same types and limits required of Vendor, naming LACERA as an additional insured, and shall provide evidence of that coverage to LACERA before the

subcontractor begins work. Neither LACERA's failure to obtain a required certificate or endorsement, nor its receipt of a non-complying certificate, is a waiver of any insurance requirement.

5. Term.

The term of this Contract begins on {---Effective Date---} (the "Start Date"), and unless terminated earlier in accordance with this Contract, ends three (3) years after the Start Date. Neither party is required to renew or extend this Contract, and this Contract does not renew automatically.

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 Director, 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 Director 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 other 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.

10.1.6 Member Records. "Member Records" means any information concerning LACERA's current or former members, retirees, employees or beneficiaries, including without limitation names, Social Security numbers, dates of birth, account balances, benefit payment information, marital status, beneficiary designations, medical, health and disability information, health plan enrollment information, images of vital records and negotiable instruments, and other personally identifiable information as defined by applicable law. Vendor's obligations with

respect to Member Records are perpetual and shall survive termination or expiration of this Contract without limitation of time. Vendor shall treat Member Records with the highest level of confidentiality and shall not use, disclose or retain Member Records for any purpose other than to perform the Services. This perpetual obligation continues unless and until applicable law affirmatively requires the disclosure or elimination of the specific information in question.

10.2 Return and Certified Destruction. Upon the earlier of LACERA's written request, expiration of this Contract, or termination of this Contract for any reason, Vendor shall promptly return to LACERA all Confidential Information in Vendor's possession, custody or control, or, at LACERA's written direction, destroy it. Vendor shall in all events delete digital copies of LACERA documents at the end of the retention period stated in the Statement of Work. Destruction shall comply with NIST Special Publication 800-88 or an equivalent LACERA-approved standard. Vendor shall provide LACERA with a written certification of destruction, signed by an authorized representative, within thirty (30) calendar days after completion, identifying the categories of Confidential Information destroyed and the method of destruction. Vendor may retain one archival copy of records only where required by applicable law, provided that the retained records remain subject to all confidentiality obligations of this Contract and are identified in the certification of destruction.

11. Nondiscrimination.

Vendor hereby promises and agrees that it will comply with Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000e et seq.), the California Fair Employment and Housing Act (Cal. Gov. Code § 12900 et seq.), and all other applicable federal, state and local anti-discrimination laws, to the end that no person shall, on grounds of race, creed, color, religion, sex, gender, gender identity, gender expression, sexual orientation, national origin, ancestry, age, disability, medical condition, genetic information, marital status, military or veteran status, or any other characteristic protected by applicable law, 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 all steps necessary to ensure that applicants and employees are treated in an unbiased manner without regard to their race, color, religion (including religious dress and grooming practices), sex, gender, gender identity, gender expression, sexual orientation, age, ancestry, national origin, physical or mental disability, medical condition, genetic information, marital status, military or veteran status, political affiliation, or any other characteristic protected by applicable law. 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.

Termination for Non-Appropriation. LACERA may terminate this Contract, in whole or in part, effective upon written notice to Vendor, if funds are not appropriated or are otherwise unavailable for the Services in any fiscal period. LACERA shall give Vendor as much advance notice as is reasonably practicable. Upon such termination LACERA shall pay for Services satisfactorily performed through the effective termination date, and shall have no further liability to Vendor.

Termination for Insolvency. LACERA may terminate this Contract immediately upon written notice if Vendor becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or becomes subject to any proceeding under any bankruptcy or insolvency law, whether domestic or foreign, that is not dismissed within sixty (60) days.

16. Termination for Convenience.

LACERA may terminate the Services performed under this Contract, in whole or in part, at any time for its convenience by delivering to Vendor a written Termination Notice not less than thirty (30) calendar days before the effective termination date. The Termination Notice shall specify 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

SOC-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), 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 Director upon completion of each SOC 2 Audit engagement.

17.6 The Vendor shall provide to LACERA, within thirty (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 shall develop, maintain, and annually test a written business continuity and disaster recovery plan ("BCP") that is reasonably designed to enable Vendor to recover and resume all material Services within one (1) business day following any disruptive event, including without limitation natural disasters, cyberattacks, ransomware events, facility failures, key personnel losses, and third-party system outages. The BCP shall address data recovery, on-site recovery teams, off-site backup and restoration, back-up power, an alternate site of operation and secure document storage location, continuity of check processing, personnel succession, and communication protocols, consistent with the requirements of the Statement of Work. Upon LACERA's written request (no more than once per calendar year absent a disruptive event), Vendor shall provide LACERA with a copy of its then-current BCP within ten (10) business days. Vendor shall conduct and document functional testing of the BCP at least once per calendar year and shall provide LACERA with a written summary of test results, including identified gaps and remediation plans, within thirty (30) calendar days of each test. Vendor shall notify LACERA in writing within thirty (30) calendar days of any material modification to the BCP. In the event of a disruptive event affecting Vendor's ability to perform the Services, Vendor shall notify LACERA's Project Director within thirty (30) minutes of the disruption and shall provide written status updates no less frequently than daily until full Service restoration is achieved.

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 any data has occurred, and that no data has been compromised ("Incident"). 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 above. Vendor shall provide the results of penetration tests to LACERA.

19.3 Vendor at its own cost, 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 at its own cost, 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 Mandatory Notification to LACERA. Notwithstanding the legal notification requirements in the preceding paragraphs, Vendor shall notify LACERA of any Security Incident, including any suspected, potential, or confirmed unauthorized access to or disclosure of LACERA data, according to the following schedule: (a) Confirmed breach involving Member Records or personal data. If Vendor has reasonable belief that Member Records or other personal data of LACERA members, employees, or beneficiaries has been, or is reasonably likely to have been, accessed, acquired, disclosed, or misused by an unauthorized person, Vendor shall notify LACERA verbally and in writing within twenty-four (24) hours of discovery; (b) Suspected security incident. If Vendor discovers or has reasonable belief that a security incident has occurred but has not yet confirmed whether Member Records or personal data have been compromised, Vendor shall notify LACERA in writing within forty-eight (48) hours of discovery; (c) Material security event. If Vendor discovers a material cybersecurity event, including ransomware infection, unauthorized system access, or significant service disruption, that does not yet have a confirmed data exposure, Vendor shall notify LACERA in writing within seventy-two (72) hours of discovery; (d) Notice contents. All notifications shall include, to the extent then known, the nature and scope of the incident; the categories and estimated volume of data affected; the mitigation steps taken or planned; a designated incident response contact with direct contact information; and a preliminary timeline for further updates. Vendor shall provide follow-up updates at least every forty-eight (48) hours until the incident is fully remediated; (e) Cooperation. Vendor shall cooperate fully with LACERA and, at LACERA's written direction, with LACERA's outside incident response counsel and forensic investigators. Vendor shall not make any public disclosure or notification to any third party regarding a Security Incident involving LACERA data without LACERA's prior written approval, except as required by applicable law.

19.6 Responsibility for Breach Costs. Vendor shall be responsible for, and shall indemnify and hold LACERA harmless from, all losses, claims and damages arising from or related to any Security Incident or data breach affecting LACERA Data, including without limitation the costs of legally required and reasonable voluntary notification, call center support, credit monitoring and identity theft protection for affected persons for not less than twenty-four (24) months, forensic investigation, remediation, regulatory fines and penalties, attorneys' fees, and expert fees and costs, regardless of the number of affected persons and entities.

20. Entire Contract and Severability.

This document (including Attachments A through G) 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.

25. Service Levels and Service Credits

25.1 Service Level Commitments. Vendor shall meet or exceed the service levels set forth in this Section 25. Service levels are measured calendar-monthly and reported to LACERA within fifteen (15) calendar days after the end of each month.

25.1.1 Availability. The Hosted Product shall be available not less than ninety-nine and nine tenths percent (99.9%) of the time during each calendar month, excluding scheduled maintenance windows performed in accordance with Section 25.4.

25.1.2 Operational Service Levels. Vendor shall meet each of the service levels set forth in Attachment C, which shall include without limitation daily pickup of physical mail from the designated United States Postal Service location; initiation of scanning of physical mail on the business day received; transmission of images, metadata and index files at the frequency stated in the Statement of Work; availability of digitally received documents in the Hosted Product within one hour of receipt; the mail return cadence; same business day digital delivery of Business Mail; next business day return of Business Mail originals and negotiable instruments; and correction of defects within the acknowledgment and completion windows stated in the quality control provisions of the Statement of Work.

25.2 Service Credits. If Vendor fails to meet a service level in any calendar month, LACERA shall be entitled to the service credit stated for that service level in Attachment C. Service credits shall be applied against the next invoice, or refunded if no further invoice is due. Service credits are not LACERA's exclusive remedy and do not limit LACERA's right to terminate for default under Section 15 or to recover damages.

25.3 Chronic Failure. If Vendor fails to meet the same service level in any three (3) months within a rolling twelve-month period, or fails to meet any three (3) service levels in the same month, LACERA may terminate this Contract for default under Section 15 without any further cure period, in addition to any other remedy.

25.4 Maintenance Windows. Scheduled maintenance shall be performed only during windows agreed in writing with LACERA, outside LACERA's business hours, and only after not less than five (5) business days' advance notice, except for emergency maintenance required to address a security vulnerability, in which case Vendor shall give as much notice as is practicable. Scheduled maintenance shall not exceed four (4) hours in any calendar month unless LACERA agrees otherwise in writing. Unscheduled downtime and maintenance exceeding these limits count against the availability commitment in Section 25.1.1.

26. Data Ownership, Return, and Transition Services

26.1 Data Ownership. As between the parties, LACERA owns and shall continue to own all right, title, and interest in and to: (a) all LACERA Confidential Information; (b) all data, content, configurations, and customizations created by or on behalf of LACERA; (c) all modifications made for LACERA; and (d) all derivatives of the foregoing (collectively, "LACERA Data"). Vendor receives no ownership rights in LACERA Data and acquires only the limited license necessary to perform the Services.

26.2 Data Return. Upon any expiration or termination of this Contract, or upon LACERA's written request at any time during the term, Vendor shall return to LACERA all LACERA Data in a usable, non-proprietary format reasonably acceptable to LACERA (including a complete export of all images, metadata, index files, audit logs, and LACERA-specific configurations, workflow settings and document type mappings) within thirty (30) calendar days of the request or termination effective date, at no additional charge.

26.3 Secure Deletion. Within thirty (30) calendar days after the termination effective date, Vendor shall securely delete or destroy all LACERA Data in Vendor's and any subcontractor's possession or control, in accordance with NIST Special Publication 800-88 (or equivalent successor standard). Vendor shall provide LACERA with a written certification of deletion signed by an officer of Vendor.

26.4 Survival. Vendor's obligations under this Section 26 shall survive expiration or termination of this Contract.

26.5 Transition Assistance. Upon any expiration or termination of this Contract, or upon LACERA's written request, Vendor shall continue to perform the Services and shall provide all assistance reasonably necessary to effect an orderly transition of the Services to LACERA or to a successor vendor, for a period of up to one hundred eighty (180) days as elected by LACERA, at the rates then in effect under Attachment B. Transition assistance shall include delivering a written transition plan within fifteen (15) business days of LACERA's request; continuing mail

pickup, processing, imaging and return without degradation in service levels; delivering LACERA Data and images in the format required by Section 26.2; returning all original documents, negotiable instruments and physical records in Vendor's custody; and cooperating in good faith with the successor vendor, including participating in knowledge transfer sessions and providing file layouts, index specifications and integration documentation. Vendor's obligation to provide transition assistance applies regardless of the reason for termination, including termination for Vendor's default, and is a material obligation of this Contract.

26.6 No Withholding. Vendor shall not withhold, encumber or condition the delivery of LACERA Data, images, original documents or transition assistance on the payment of any disputed amount or on LACERA's agreement to any additional term.

27. Hosted Software License, Warranties and Support.

Vendor grants LACERA, for the term of this Contract and any transition period, a non-exclusive, non-transferable right for LACERA's employees, agents and contractors to access and use the hosted user interface and any related software, documentation and application programming interfaces used to deliver the Services (the "Hosted Product"), without limitation as to the number of named users except as stated in Attachment B. Vendor warrants that the Hosted Product will conform in all material respects to its documentation and to Vendor's RFP Proposal; that it will be free of viruses, malware and other malicious code; and that it contains no disabling device, time bomb, back door or other routine that would permit Vendor to disable, degrade or interfere with LACERA's access. Vendor shall not exercise any self-help remedy, and shall not suspend or disable LACERA's access to the Hosted Product or to LACERA Data, for any reason including an asserted payment dispute, without LACERA's prior written consent. Vendor shall provide support and maintenance, keep the Hosted Product on a currently supported version, perform maintenance only within agreed maintenance windows, and give LACERA not less than thirty (30) days' advance written notice of any material change to the Hosted Product, its hosting arrangements, or its subprocessors. The Hosted Product and its user interface shall conform to the Web Content Accessibility Guidelines (WCAG) 2.1, Level AA, and Vendor shall remediate any material nonconformity identified by LACERA within a reasonable time at no additional charge.

28. Intellectual Property and Infringement Indemnity.

As between the parties, Vendor retains all right, title and interest in the Hosted Product and its pre-existing intellectual property, and LACERA retains all right, title and interest in LACERA Data as provided in Section 26. Vendor shall indemnify, defend and hold harmless LACERA, its Boards, trustees, officers, employees and agents from and against any claim that the Hosted Product or the Services infringe or misappropriate any patent, copyright, trademark, trade secret or other intellectual property right, and shall pay all resulting damages, settlements, costs and attorneys' fees. If any such claim is made or in Vendor's reasonable judgment is likely to be made, Vendor shall, at its own expense and at LACERA's option, procure for LACERA the right to continue using the affected item, replace or modify it so that it is non-infringing while remaining materially equivalent in function and performance, or, if neither is commercially reasonable, refund all amounts paid for

the affected item and any prepaid unused fees, in which case LACERA may terminate this Contract without further liability.

29. Implementation, Testing and Acceptance.

Vendor shall perform implementation in accordance with the Implementation, Testing and Acceptance Plan attached as Attachment F, which shall include the two-round beta testing described in the RFP, the integration design deliverables, the acceptance criteria for each major requirement, and the go-live gate. No Service shall be deemed accepted, and no implementation milestone payment shall become due, until LACERA has tested the applicable deliverable against the acceptance criteria and given written notice of acceptance. If a deliverable fails to meet the acceptance criteria, LACERA may reject it and require Vendor to correct and resubmit it at no additional charge within the period stated in Attachment F. Go-live is further conditioned on written approval by LACERA's information security function. If a deliverable fails acceptance testing after two corrective cycles, LACERA may terminate this Contract for default under Section 15 and recover all amounts paid.

30. Third-Party Providers and Use of Artificial Intelligence.

Vendor may use third-party providers, software and services ("Third-Party Providers") in the ordinary course of its business operations. Vendor shall ensure that all Third-Party Providers used in the performance of the Services meet the same confidentiality and data protection requirements imposed on Vendor under this Contract, and Vendor remains fully responsible to LACERA for any breach, negligence or other misconduct attributable to any Third-Party Provider. Vendor must disclose to LACERA any use of artificial intelligence, including generative artificial intelligence, machine learning models, optical character recognition, intelligent document processing and automated decision tools, in the delivery of the Services. Such disclosure shall include the nature of the application and its role in the Services; the provider of the technology and the applicable terms of service; data handling practices, including whether LACERA Data or Member Records will be used as inputs; the safeguards in place to ensure compliance with privacy law and LACERA's nondiscrimination obligations; and the human review applied to low-confidence classifications. Vendor shall not use LACERA's Confidential Information or Member Records to train, fine-tune, retrain or otherwise improve any model without LACERA's prior written approval. Vendor remains accountable for classification and extraction errors under the quality control and defect correction standards in the Statement of Work and Attachment C, and no limitation on LACERA's remedies applies to Vendor's unauthorized use of LACERA Confidential Information or Member Records in connection with Third-Party Providers or artificial intelligence systems.

31. Data Residency and Location of Processing.

All LACERA Data shall be stored, processed and accessed solely within the continental United States. Vendor shall not permit any person located outside the United States, including any employee, affiliate, subcontractor or Third-Party Provider, to access LACERA Data or to perform any preparation, scanning, keying, indexing, classification, quality control, exception handling, hosting

or technical support function involving LACERA Data without LACERA's prior written approval. Vendor shall identify in writing, before commencing Services and thereafter on request, each facility at which LACERA mail, documents or data are handled, processed or stored.

32. Custody of Original Documents and Negotiable Instruments.

Vendor acknowledges that it will take custody of original and certified vital records and legal documents, including birth, marriage, domestic partnership and death certificates, passports, certificates of naturalization, wills, powers of attorney, letters of guardianship and conservatorship, military records and dissolution orders, and of negotiable instruments including checks, money orders and returned LACERA warrants. Vendor shall maintain a documented chain of custody for all such items from pickup through return; shall apply dual control to the handling, storage and transport of negotiable instruments and original vital records; shall store such items in secured, segregated and access-controlled locations, separate from other clients' materials; and shall transport them only by bonded courier or a comparable method approved by LACERA in writing. Vendor shall be liable to LACERA for the loss, theft, damage or destruction of any original document or instrument in its custody, and acknowledges that certified vital records are not fully replaceable and that its liability includes the cost of replacement and the reasonable costs of remediating harm to the affected member. Vendor shall notify LACERA's Project Director immediately upon discovering that any item cannot be located and shall cooperate fully in locating or replacing it.

33. Privileged and Confidential Correspondence.

Vendor acknowledges that mail addressed to LACERA's Legal Office, trustees, executive officers, Human Resources and division managers may contain privileged, litigation-related or otherwise highly sensitive material, including subpoenas and other legal process. Vendor shall not read, review, analyze, copy or retain the contents of such correspondence beyond what is strictly necessary to classify, image and route it. Access to Business Mail within the Hosted Product shall be restricted to the individual LACERA recipients designated by LACERA. Vendor shall route any item identified as legal process, or as originating from counsel, to LACERA's Legal Office on the same business day. The parties agree that Vendor's incidental access to such material in performing the Services is not intended to and does not waive the attorney-client privilege, the work product doctrine or any other applicable privilege or protection, and Vendor shall assert this Section if any third party seeks disclosure.

34. [Reserved]

35. Background Checks.

Vendor shall conduct thorough background checks on all personnel assigned to this Contract, including subcontractor personnel and any person with access to LACERA mail, documents, data or systems. These checks must include criminal history and employment verification, and any other screening necessary to ensure the integrity and reliability of personnel working with LACERA. Vendor shall require each such person to execute a written confidentiality

undertaking, shall re-screen personnel at intervals of not more than three years, and shall promptly remove from work under this Contract any person LACERA reasonably objects to in writing. Vendor shall certify compliance with this Section annually.

36. Standards of Performance and Performance Metrics.

Vendor shall perform the Services in a professional and workmanlike manner, consistent with the standards of conduct, competence and performance exercised by qualified providers performing like services in like circumstances. This standard applies to all personnel assigned to perform Services, including subcontractor personnel. Vendor's performance will be evaluated using objective metrics, including timeliness of pickup, transmission and return, imaging and indexing accuracy, defect correction within the windows stated in the Statement of Work, system availability, responsiveness to requests, and overall satisfaction, and these metrics will be reviewed with Vendor no less than quarterly. Vendor's compliance with the standards described in this Section is a material obligation of this Contract, and failure to meet them constitutes grounds for termination for default under Section 15.

37. Facility Access and Inspection.

LACERA and its authorized representatives may, upon reasonable written notice and during normal business hours, inspect any facility at which LACERA mail, documents or data are handled, processed or stored, including Vendor's scanning facility, its secure storage areas for originals and negotiable instruments, and its physical and logical access controls. Vendor shall cooperate with any such inspection and shall make relevant personnel available. When Vendor personnel perform Services on LACERA premises, they shall comply with LACERA's visitor, security and access control policies, wear identification, and shall not enter restricted areas or remove, copy, scan or photograph any LACERA record without the prior written authorization of LACERA's Project Director.

38. Audit Rights and Record Retention.

LACERA, or its duly authorized representative, shall have the right, upon reasonable written notice, to inspect, examine and audit all records, books, accounts and documents of Vendor that relate to this Contract, during normal business hours and throughout the term and for a period of four (4) years following the date of final payment. Vendor shall cooperate fully with any such audit, including by providing access to relevant personnel, facilities and systems, and LACERA may engage an external auditor of its choosing. Vendor shall retain all records relating to this Contract for a minimum of four (4) years following final payment, or for such longer period as applicable law requires, and shall retain any records relevant to a pending audit, litigation or claim until the matter is fully resolved.

39. Publicity and Marketing Restriction.

Vendor shall not use LACERA's name, logo, seal, trademarks or other identifying marks, or refer to LACERA as a client, in any advertising, marketing material, press release, social media post,

website content, client list, case study, proposal or other public communication without LACERA's prior written approval. This restriction applies to Vendor's subcontractors and survives the expiration or termination of this Contract. Nothing in this Section prevents a disclosure required by law, provided that Vendor gives LACERA not less than five (5) business days' advance written notice where practicable and cooperates with LACERA in seeking a protective order or other remedy.

40. Force Majeure.

Neither party shall be liable for delay in performing, or failure to perform, its obligations under this Contract to the extent the delay or failure is caused directly by an event beyond the reasonable control of the affected party, including acts of war, terrorism, riot, civil unrest, government orders, acts of God, a pandemic or epidemic declared by a governmental authority, earthquake, flood, fire, or a strike or labor dispute not involving the affected party's own employees (a "Force Majeure Event"). Force Majeure Events expressly exclude economic hardship, changes in market conditions or increased cost of performance; the failure of Vendor's subcontractors or Third-Party Providers unless caused by an independent Force Majeure Event affecting those parties; and the unavailability of Vendor's key personnel. The party invoking this Section shall give written notice as soon as practicable and in any event within five (5) business days, describe the event, estimate the duration of the delay, and use commercially reasonable efforts to mitigate and resume performance. Force Majeure does not excuse Vendor's obligation to maintain the insurance required by this Contract, to protect LACERA's Confidential Information and Member Records, to implement its business continuity plan, or to pay amounts due to LACERA. If a Force Majeure Event continues for more than thirty (30) consecutive calendar days and prevents Vendor from performing all or a material portion of the Services, LACERA may terminate this Contract for convenience upon five (5) business days' written notice without liability for the termination.

41. Code of Ethics and Gratuities.

Vendor shall maintain and enforce a code of ethics that promotes integrity, transparency and accountability in all aspects of its operations, and shall ensure that all personnel adhere to ethical standards consistent with public sector values and applicable law. Neither Vendor nor its officers, employees, agents or subcontractors shall offer, give or promise to give any gift, gratuity, money or thing of value, directly or indirectly, to any LACERA trustee, officer, employee or agent in connection with the award, performance or oversight of this Contract. Vendor represents that it has not employed or retained any person to solicit or secure this Contract on an agreement for a contingent fee. A violation of this Section constitutes grounds for immediate termination for default under Section 15.

42. Change Control and Extra Work.

Any change to the Services, the Statement of Work, the service levels or the fees must be documented in a written change order in a form approved by LACERA, signed by both parties, before the work begins. If Vendor performs work outside the Statement of Work without a signed change order, that work is deemed a gratuitous effort on Vendor's part, Vendor shall have no claim against

LACERA for it, and LACERA shall have no obligation to pay for it. LACERA may from time to time request work not included in the Statement of Work, in which case Vendor shall not commence the work until it has submitted a full estimate of the cost and LACERA has approved it in writing, and pricing for such work shall be derived from the rates in Attachment B. Changes in mail volume beyond the assumptions stated in Attachment B shall be priced at the unit and overage rates stated in that Attachment and shall not require a change order.

43. Key Personnel.

Vendor designates the individuals identified as key personnel in Attachment A (Statement of Work), including the account manager, the implementation lead and the security contact. Vendor shall not remove or reassign any key person from work under this Contract without the prior written consent of LACERA's Project Director, which LACERA may reasonably withhold; this restriction does not apply to termination of employment, serious illness, death or other cause beyond Vendor's control, in which case Vendor shall promptly propose a replacement of comparable qualifications for LACERA's approval. Vendor shall promptly remove and replace any person whose performance LACERA reasonably finds unsatisfactory.

44. Change of Control; Non-Solicitation; Notice of Adverse Events.

Vendor shall give LACERA not less than thirty (30) days' written notice of any proposed merger, acquisition, sale of substantially all of its assets, or other change of control, and LACERA may terminate this Contract for convenience upon any such change of control without regard to the notice period in Section 16. During the term and for one (1) year thereafter, neither party shall knowingly solicit for employment any employee of the other who was directly involved in performing or receiving the Services, except through a general advertisement not targeted at such employees. Vendor shall promptly notify LACERA in writing of any investigation, regulatory action, enforcement proceeding, material litigation, insolvency event, or material adverse change in its financial condition that could reasonably be expected to affect its performance under this Contract.

45. Notices.

All notices required or permitted under this Contract shall be in writing and shall be deemed given when delivered personally, one (1) business day after deposit with a nationally recognized overnight courier, three (3) business days after deposit in the United States mail with postage prepaid, or upon confirmed transmission by electronic mail to the address designated by the receiving party. Notices to LACERA shall be sent to LACERA's Project Director with a copy to LACERA's Legal Office, 300 North Lake Avenue, Pasadena, CA 91101. Notices to Vendor shall be sent to the individual and address identified beneath Vendor's signature. Either party may change its notice address by written notice to the other.

46. Dispute Resolution.

Before commencing litigation, the parties shall attempt in good faith to resolve any dispute arising out of or relating to this Contract by escalating it in writing, first to LACERA's Project Director and Vendor's account manager, and if not resolved within fifteen (15) business days, to a senior executive of each party with authority to settle the dispute, for a further fifteen (15) business days. This Section does not limit either party's right to seek injunctive or other equitable relief at any time, does not toll any statute of limitations except by written agreement, and does not delay LACERA's exercise of its termination rights.

47. Data Processing Agreement and Security Requirements.

Before any LACERA mail or data is collected or processed, Vendor shall execute LACERA's Data Processing Agreement, which is included in Attachment D, and shall comply with Attachment D throughout the term and any transition period. If any provision of Attachment D is more protective of LACERA Data or Member Records than this Contract, that provision controls.

48. Iran Contracting Act Certification.

Pursuant to California Public Contract Code Sections 2200 through 2208, for any contract that equals or exceeds one million dollars (\$1,000,000) in aggregate value, Vendor certifies under penalty of perjury that, at the time of submission of its proposal and as of the date of execution of this Contract, Vendor is not identified on the current list of persons and entities engaged in investment activities in Iran published by the California Department of General Services, is not engaged in investment activities in Iran as defined by the Iran Contracting Act of 2010, and has not made a false certification under this Section. Vendor shall promptly notify LACERA if at any time during the term it appears on that list or otherwise becomes engaged in such investment activities.

49. Counterparts and Electronic Signatures.

This Contract may be executed in counterparts, each of which is deemed an original and all of which together constitute one instrument. Signatures delivered by electronic transmission, including portable document format and electronic signature platforms, have the same force and effect as original signatures.

50. No Third-Party Beneficiaries.

This Contract is for the sole benefit of the parties and their permitted successors and assigns, and nothing in this Contract confers any right, benefit or remedy on any other person.

51. Survival.

Sections 4, 10, 19, 26, 28, 32, 33, 38, 39, 50 and 51, and any other provision that by its nature is intended to survive, shall survive the expiration or termination of this Contract.

Remainder of Page Intentionally Left Blank

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the date indicated in Section 5.

Los Angeles County Employees Retirement
Association

Vendor

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Address for Notices:
ATTN: Vendor Management
LACERA
300 N. Lake Avenue, Suite 650
Pasadena, CA 91101

Address for Notices:

Approved as to form:

LACERA Senior Staff Counsel

**Attachment A
Statement of Work**

**Attachment B
Fee Schedule**

**Attachment C
Service Levels and Service Credits**

**Attachment D
Security, Privacy and Data Protection Requirements**

**Attachment E
[Reserved]**

**Attachment F
Implementation, Testing and Acceptance Plan**

**Attachment G
Approved Subcontractors**

EXHIBIT E

IT SECURITY CONTROLS

ALL RESPONDENTS SHALL PROVIDE A COPY OF THEIR LATEST SECURITY COMPLIANCE CERTIFICATION REPORT. ACCEPTABLE COMPLIANCE CERTIFICATION REPORTS ARE SOC2, OR ISO 27001, OR VENDOR DATA SECURITY QUESTIONNAIRE.

ADDITIONALLY, IF SELECTED THROUGH THIS RFP PROCESS, RESPONDENT SHALL COMMIT TO PROVIDE FUTURE CERTIFICATION REPORTS AND AN ANNUAL WRITTEN, SIGNED ATTESTATION FOR ANNUAL VENDOR SECURITY POSTURE ASSESSMENT.

THE SELECTED RESPONDENT SHALL PROVIDE A SIGNED ATTESTATION THAT, TO THE BEST OF ITS KNOWLEDGE, NO DATA BREACH, HACKING, OR INCIDENTAL DIVULGING OF ANY DATA HAS OCCURRED, THAT NO DATA HAS BEEN COMPROMISED ("INCIDENT"), AND THAT ADEQUATE INTERNAL POLICIES AND PROCEDURES EXIST TO PREVENT DATA THEFT AND UNAUTHORIZED ACCESS.

IF RESPONDENTS HAVE NOT COMPLETED ANY OF THE ABOVE COMPLIANCE REPORTS, THEY MUST COMPLETE AND SIGN THE VENDOR DATA SECURITY QUESTIONNAIRE DOCUMENT IN ORDER TO ASSESS THEIR SECURITY POSTURE AND SUITABILITY OF THE DESIGN AND OPERATING EFFECTIVENESS OF CONTROLS, INFORMATION FUNCTIONS, AND PROCESSES.



VENDOR QUESTIONNAIRE

Last Updated: April 2026

1. GENERAL INFORMATION

Name of Vendor: [Click or tap here to enter text.](#)

Vendor is a(an): ☐ Individual ☐ Corporation ☐ Partnership ☐ Other [Click or tap here to enter text.](#)

2. SAFEGAURDS ON LACERA CONFIDENTIAL INFORMATION

- a) Does / will the vendor hold LACERA Confidential or LACERA member PII information? ☐ Yes ☐ No
If yes, please provide details. Response: [Click or tap here to enter text.](#)
-
- b) Is LACERA information physically or virtually segregated from the vendor and its vendor's other clients? ☐ Yes ☐ No
If yes, please provide details. Response: [Click or tap here to enter text.](#)
-
- c) Provide brief description on the type of connection (encryption and authentication) for information exchange between LACERA and the vendor organization. Response: [Click or tap here to enter text.](#)
-
- d) Is LACERA information encrypted at rest? ☐ Yes ☐ No
-
- e) Describe the teams within vendor's organization that have access to the LACERA information:
Response: [Click or tap here to enter text.](#)
-
- f) Are vendor's production and test/development areas separated? ☐ Yes ☐ No
If yes, please provide brief details. Response: [Click or tap here to enter text.](#)
-

3. VENDOR Security and INCIDENT RESPONSE PROGRAM

- a) Provide documentation on vendor Information Security Policy and Incident Response programs.
Response: [Click or tap here to enter text.](#)
-
- b) Provide confirmation and/or attestation to a 48-hour breach notification.
Response: [Click or tap here to enter text.](#)
-
- c) Vendor agrees to a periodic review for compliance to LACERA policies and security requirements.
Response: [Click or tap here to enter text.](#)
-

4. VENDOR PENETRATION TEST AND SOC2 REPORTS

- a) Has the vendor completed a Penetration test? ☐ Yes ☐ No
Provide summary report of the latest Penetration Test. Response: [Click or tap here to enter text.](#)
-
- b) Has the vendor completed an Independent Service Auditors compliance exam such as SOC 2? ☐ Yes ☐ No
If yes, please provide the latest SOC 2 audit report. Response: [Click or tap here to enter text.](#)
-

5. EMAIL SECURITY CONTROLS

If the answer to any question in this section is "No", please provide additional details in the "Additional Comments" section.

a) Do you tag external emails to alert employees that the message originated from outside the organization? ☐Yes ☐No

b) Do you pre-screen emails for potentially malicious attachments and links? ☐Yes ☐No

If "Yes", complete the following:

Provide your email security provider. Response: [Click or tap here to enter text.](#)

Do you have the capability to automatically detonate and evaluate attachments in a sandbox to determine if they are malicious. ☐Yes ☐No

c) Have you implemented any of the following to protect against phishing messages? (check all that apply):

☐Sender Policy Framework (SPF)

☐DomainKeys Identified Mail (DKIM)

☐Domain-based Message Authentication, Reporting & Conformance (DMARC)

☐None of the above

d) Can your users access email through a web application or a non-corporate device? ☐Yes ☐No

If "Yes", do you enforce Multi-Factor Authentication (MFA)? ☐Yes ☐No

e) Do you use Office 365 in your organization? ☐Yes ☐No

If "Yes", do you use the Office 365 Advanced Threat Protection add-on? ☐Yes ☐No

ADDITIONAL COMMENTS (Use this space to explain any "No" answers in the above section and/or to list other relevant IT security measures you are utilizing that are not listed here.)

Response: [Click or tap here to enter text.](#)

6. INTERNAL SECURITY

If the answer to any question in this section is "No", please provide additional details in the "Additional Comments" section.

a) Do you use a cloud provider to store data or host applications? ☐Yes ☐No

If "Yes", provide the name of the cloud provider. Response: [Click or tap here to enter text.](#)

b) Do you use MFA to secure all cloud provider services that you utilize (e.g. Microsoft Azure)? ☐Yes ☐No

c) Do you encrypt all sensitive and confidential information? ☐Yes ☐No

If "No", are the following compensating controls in place:

1. Segregation of servers that store sensitive and confidential information? ☐Yes ☐No

2. Access control with role-based assignments? ☐Yes ☐No

d) Do you allow remote access to your network? ☐Yes ☐No

If "Yes", do you use MFA to secure all remote access to your network? ☐Yes ☐No

e) Do you use a next-generation antivirus (NGAV) product to protect all endpoints across your enterprise? ☐Yes ☐No

If "Yes", provide name of your NGAV provider. Response: [Click or tap here to enter text.](#)

f) Do you use an endpoint detection and response (EDR) tool that includes monitoring and logging? ☐Yes ☐No

If "Yes", provide name of your EDR provider. Response: [Click or tap here to enter text.](#)

g) Do you manage privileged accounts using privileged account management software (PAM) ☐Yes ☐No

If "Yes", provide name of your PAM provider. Response: [Click or tap here to enter text.](#)

h) Do you roll out a hardened baseline configuration across servers, laptops, desktops? ☐Yes ☐No

- i) Do you record and track all software and hardware assets deployed across your organization? ☐Yes ☐No
-
- j) How frequently do you install critical and high severity patches across your enterprise? ☐Yes ☐No
-
- k) Do you use a protective DNS service (PDNS) to block access to known malicious websites? ☐Yes ☐No
-
- l) Do you implement PowerShell best practices as outlined by Microsoft? ☐Yes ☐No
-
- m) Do you utilize a Security Information and Event Management system (SIEM)? ☐Yes ☐No
-
- n) Do you utilize a Security Operations Center (SOC)? ☐Yes ☐No
If "Yes", complete the following:
Is your SOC monitored 24 hours a day, 7 days a week? ☐Yes ☐No
If your SOC is outsourced, provide name of your SOC provider. Response: [Click or tap here to enter text.](#)
-

ADDITIONAL COMMENTS (Use this space to explain any "No" answers in the above section and/or to list other relevant IT security measures you are utilizing that are not listed here.)

Response: [Click or tap here to enter text.](#)

7. PHISHING CONTROLS

- a) Do all employees at your company complete mandatory cybersecurity training? ☐Yes ☐No
If "Yes", does such training include phishing simulation? ☐Yes ☐No
How often is mandatory cybersecurity training required?
Response: [Click or tap here to enter text.](#)
-

8. BACKUP AND RECOVERY

If the answer to any question in this section is "No", please provide additional details in the "Additional Comments" section.

Do you use a data backup solution? ☐Yes ☐No

If "Yes":

- a) Which best describes your data backup solution?
- ☐ Backups are kept locally but separate from your network (offline/air-gapped backup solution).
 - ☐ Backups are kept in a dedicated cloud backup service.
 - ☐ You use a cloud-syncing service (e.g. Dropbox, OneDrive, SharePoint, Google Drive).
 - ☐ Backup strategy aligns with your defined Return Time Objective/Return Point (RTO/RPO) objectives.
-
- b) Check all that apply:
- ☐ Your backups are encrypted
 - ☐ You have immutable backups
 - ☐ Your backups are secured with different access credentials from other administrator credentials
 - ☐ You utilize MFA for both internal and external access to your backups
 - ☐ You have tested the successful restoration and recovery of key server configurations and data from backups
 - ☐ You are able to test the integrity of backups prior to restoration to ensure that they are free of malware
-
- c) Estimated amount of time it will take to restore essential functions using backups in the event of a widespread malware or ransomware attack within your network.
- ☐0-24 hours ☐1-3 days ☐4-6 days ☐1 week or longer
-
- d) Has the vendor completed Disaster Recovery testing? ☐Yes ☐No
If yes, please provide RTO/RPO objectives (Return Time or Return Point Objectives).
Response: [Click or tap here to enter text.](#)
-

ADDITIONAL COMMENTS (Use this space to explain any "No" answers in the above section and/or to list other relevant IT security measures you are utilizing that are not listed here.)

Response: [Click or tap here to enter text.](#)

9. INCIDENTS

- a) Has the vendor received any complaints or written demands or been a **subject in litigation** involving matters of privacy injury, breach of private information, network security, defamation, content infringement, identity theft, denial of service attacks, computer virus infections, theft of information, damage to third party networks or the ability of third parties to rely on the vendor's network? ☐Yes ☐No
- b) Has the vendor been the subject of any government action, investigation, or other proceedings regarding any alleged violation of privacy law, regulation or contractual obligation? ☐Yes ☐No
- c) Has the vendor notified customers, clients or any third party of any security breach or privacy breach? ☐Yes ☐No

ADDITIONAL COMMENTS (Use this space to explain any "No" answers in the above section and/or to list other relevant IT security measures you are utilizing that are not listed here.)

Response: [Click or tap here to enter text.](#)

10. ARTIFICIAL INTELLIGENCE (AI)

Do you incorporate artificial intelligence (AI) into your operations? ☐Yes ☐No

If "Yes":

- a) Do you maintain a formal Artificial Intelligence (AI) policy? ☐Yes ☐No
- b) Do you have an established governance structure for AI use? ☐Yes ☐No
- c) Do you follow an AI risk management framework (e.g., the NIST AI RMF)? ☐Yes ☐No
If "Yes", provide name of the framework. Response: [Click or tap here to enter text.](#)
- d) Is the AI utilization embedded in your product / services? ☐Yes ☐No
If "Yes", provide name of the product/service. Response: [Click or tap here to enter text.](#)
- e) Do any of your AI models use client data for training or fine-tuning? ☐Yes ☐No
- f) Do you obtain client approval before using client data with any AI platform or tool? ☐Yes ☐No
- g) Is LACERA data submitted to any AI system for inference (prompting) or stored in AI-related logs/indexes (e.g., chat history, vector databases), even if not used for training? ☐Yes ☐No
If "Yes", provide name of the AI system. Response: [Click or tap here to enter text.](#)

Check all that apply to AI platform ingesting LACERA data:

- ☐ Defined retention/deletion controls
- ☐ Security monitoring for AI prompts/outputs involving LACERA data (including encryption, access controls, and audit logs)
- ☐ Retrieval-Augmented Generation (RAG) framework
- ☐ Third-party large language models (LLM)
- ☐ Commingle data from multiple clients within the same AI model or training dataset

CERTIFICATION, CONSENT AND SIGNATURE

The vendor has read the foregoing and understands that completion of this questionnaire does not bind LACERA to procure vendor's products or services. I hereby declare that, after inquiry, the above statements and particulars are true, and I have not suppressed or misstated any material fact.

Print or Type Vendor's Name: [Click or tap here to enter text.](#)

Title of Signee: [Click or tap here to enter text.](#)

Signature of Signee: [Click or tap here to enter text.](#)

Date signed: [Click or tap here to enter text.](#)

EXHIBIT F

SELECTION CRITERIA

The evaluation factors and weighting described below are a guide only and does not bind or limit LACERA in any way in its selection of vendor(s).

An evaluation committee will review, evaluate, score, and rank all responsive proposals by the evaluation criteria described below. LACERA may invite the highest ranked Respondents for presentations and interviews at which time each will have a limited amount of time to further describe their experience and qualifications, and to answer questions.

Scoring. Proposals will be evaluated on the following factors: (a) qualifications, experience and references; (b) technical approach and capabilities, including intake, routing and document classification; (c) security, privacy and compliance; (d) implementation approach and business continuity; (e) user outcome and user experience; and (f) fees. Each factor will be scored on a scale of zero to five, using written descriptors provided to the evaluation committee, and weighted as determined by LACERA before proposals are opened. Results of the two-round beta test will be considered in scoring factor.

Scores will be used merely as an aid in selection and is not binding or determinative on LACERA with respect to the basis for selection. LACERA will evaluate proposals based upon the proven ability of the Respondent to satisfy the requirements in an efficient, cost-effective manner, considering quality of service. The balancing of the factors is in LACERA's sole discretion. LACERA reserves the right to consider factors other than those listed in making its choice.

EXHIBIT G

DIVERSITY, EQUITY, AND INCLUSION QUESTIONNAIRE

LACERA Due Diligence Regarding Diversity, Equity, and Inclusion

Responses to this Exhibit G are requested for informational and monitoring purposes only and will not be scored. LACERA will not grant preferential treatment to, or discriminate against, any Respondent on the basis of race, sex, color, ethnicity, or national origin, consistent with Article I, Section 31 of the California Constitution.

LACERA values **diversity, equity, and inclusion (“DEI”)**, and believes that effectively accessing and managing diverse talent leads to improved outcomes. LACERA takes a broad view of diversity, inclusive of varied backgrounds including, but not limited to, age, experience, race, ethnicity, sexual orientation, gender, gender identity, disability status, national origin, and culture. LACERA expects consultants, vendors, and other third-party providers to respect and reflect LACERA’s value of DEI. LACERA’s ongoing monitoring of third-party service providers incorporates an assessment of vendors’ commitment to, adherence with, and track record of accessing and retaining diverse and inclusive workforces.

SECTION I

COMPANY BACKGROUND

1. Name of your Business
2. Name of person completing this survey
3. Your email address
4. Is your business public or private?
 - a) ☐ Public
 - b) ☐ Private
5. How many full-time employees are at your business?
 - a) ☐ 1
 - b) ☐ 2-4
 - c) ☐ 5-9
 - d) ☐ 10-19
 - e) ☐ 20-49
 - f) ☐ 50-99
 - g) ☐ 100-249
 - h) ☐ 250-499

- i) ☐ 500-1,499
- j) ☐ 1,500-4,999
- k) ☐ 5,000 or more

6. Which of the following best describes the industry your business is in?

- a) ☐ Advertising & Marketing
- b) ☐ Architecture, Construction, Design, & Engineering
- c) ☐ Consulting & Professional Services
- d) ☐ Education
- e) ☐ Entertainment, Sports & Leisure
- f) ☐ Finance & Financial Services
- g) ☐ Government
- h) ☐ Healthcare & Pharmaceuticals
- i) ☐ Hospitality, Hotels & Tourism
- j) ☐ Insurance
- k) ☐ Manufacturing
- l) ☐ Market Research & Other Research
- m) ☐ Non-Profit & Charities
- n) ☐ Retail & Consumer Packaged Goods
- o) ☐ Technology & IT
- p) ☐ Transportation & Delivery
- q) ☐ Utilities, Energy, and Extraction
- r) ☐ Other (please specify)

7. Does your business identify as one of the following diverse supplier classifications?

- a) ☐ No
- b) ☐ Women Business Enterprise (WBE)
- c) ☐ Minority Business Enterprise (MBE)
- d) ☐ Small Business
- e) ☐ Disadvantage Business Enterprise (DBE)
- f) ☐ Veteran-owned Small Business (VOSB)
- g) ☐ Service-Disabled Veteran-owned Small Business (SDVOSB)
- h) ☐ LGBTQ-Owned
- i) ☐ HubZone Small Business
- j) ☐ 8(a) Small Business
- k) ☐ None of the above
- l) ☐ Other (please describe)

8. Please select any of the following certifications your organization has signed or certifications you have received. (Select all that apply.)

- a) ☐ National Minority Supplier Development Council (NMSDC)
- b) ☐ Women's Business Enterprise National Council (WBENC)
- c) ☐ National Gay & Lesbian Chamber of Commerce (NGLCC)
- d) ☐ United States Hispanic Chamber of Commerce (USHCC)
- e) ☐ Asian Pacific American Chamber of Commerce (APAAC)
- f) ☐ Native American Chamber of Commerce (NACC)
- g) ☐ Vets First Certification Program (for veteran-owned small businesses)
- h) ☐ U.S. Business Leadership Network (USBLN, for disabled-owned small businesses)
- i) ☐ None of the above
- j) ☐ Other (please describe)

9. If you answered yes to question 7 or 8, please provide LACERA with a copy of the certifications for each diverse supplier classification.

SECTION II

DEI IN THE WORKPLACE

Policy

1. Describe your business's approach to diversity, equity, and inclusion ("DEI") in the workplace and its relation to your strategic objectives.

2. Does your business have a written policy (or policies) addressing workplace DEI ("Policy")? A Policy defines the business's commitment, policies, and practices regarding equal employment opportunity, including the recruitment, development, retention, and promotion of a diverse and inclusive workforce and non-discrimination based on gender, race, ethnicity, sexual orientation, gender identity, age, veteran's status, and other legally protected categories. A Policy (or policies) may be a standalone document or part of a larger business document.

- a) ☐ Yes
- b) ☐ No

If yes, please provide a copy of your business's Policy.

3. Does your Policy address sexual harassment in the workplace?

- a) ☐ Yes
- b) ☐ No

If not, please explain.

4. If your business does not have a written DEI policy, do you commit to promptly adopting and providing a copy of a Policy, if your business is awarded a contract with LACERA?

a) ☐ Yes

b) ☐ No

Oversight

1. Who is responsible for overseeing the Policy's implementation? Please provide the name and title. What processes are employed to implement and enforce the business's Policy?

2. Who is responsible for overseeing compliance with the Policy? Please provide the name and title. What processes are employed to promote compliance with the Policy?

3. What oversight, if any, does your business's board and/or executive team exercise regarding the business's DEI policy and efforts?

4. What data, trends, or analysis does the business's board or executive committee receive regarding the business's effectiveness in adhering to DEI policies, objectives, and compliance?

5. Under what circumstances would an allegation of non-compliance with the Policy prompt notification and/or consideration by the business's board or executive committee?

Track Record

1. Has your business been subject to any judicial, regulatory, or other legal findings, formal action, or claims related to equal employment opportunity, workplace discrimination, or sexual harassment during the past twelve years?

a) ☐ Yes

b) ☐ No

Please describe.

2. Please identify the number of confidential settlements and/or non-disclosure agreements related to workplace discrimination and/or sexual harassment entered into by your business during the past twelve years. Please describe the nature of each settlement within the terms of the confidential settlement.

Objectives and Compliance Strategies

1. Does your business integrate DEI into executives' performance reviews and/or incentive pay objectives?

a) ☐ Yes

b) ☐ No

Please describe.

2. Does your business conduct pay disparity analyses to discern any disparities by gender, race, ethnicity, or other attributes of diversity?

a) ☐ Yes

b) ☐ No

Please describe or explain why not.

3. Does your business have a clawback or recoupment policy in place by which workplace misconduct, such as sexual harassment, may trigger the recoupment of incentive pay, awards, bonuses, or other compensation?

a) ☐ Yes

b) ☐ No

4. Does your business provide paid family leave provisions?

a) ☐ Yes

b) ☐ No

If yes, please describe.

5. Please explain any other incentives or risk mitigation strategies your business employs to promote compliance with your DEI policies.

6. How does your business promote an accessible workplace for employees with disabilities?

7. Please describe any DEI objectives or goals your business has.

8. Describe any affiliations or leadership positions related to DEI in the services industry with which your business is involved.

SECTION III

DEI DEMOGRAPHICS AND ATTRIBUTES

1. LACERA seeks to understand the track record of vendors in accessing and retaining talent inclusive of diverse backgrounds.

We invite all businesses to provide the demographics and diversity attributes of their leadership (such as boards or executive committees) and professionals, consistent with applicable laws, regulations, and privacy considerations in the markets in which they operate.

Please complete the attached DEI Demographic worksheet by entering the number of employees for each category (not the percentage of employees). Blank cells will be interpreted as having a value of zero.

Job Categories:

- Board of directors, and CEO, CFO & COO: This row includes all members of the business/organization's governing board (or executive committee), as well as CEO, CFO, COO, or equivalent positions.
- Managers: All professionals who have a role in decision-making that affects all areas of business operations.
- Supervisors: All professionals who have a role to work alongside employees to ensure that they perform tasks that align with the goals managers set.
- Support Staff: All professionals who have a role in supporting the business functions, such as marketing, client service, operations, accounting, IT, and legal.
- If an employee is both, a member of the board of directors or occupies the position of CEO, CFO, or COO, as well as serves as a member of the staff, the individual may be counted in both rows.

The categories have the same definitions as the diversity categories used by the United States Equal Employment Opportunity Commission (EEOC) in its Employer Report EEO-1.

See www.eeoc.gov/data/eeo-1-data-collection for further information.

2. Is your business willing to provide the business's workforce composition in a similar format on a periodic basis, if awarded a contract with LACERA?

a) ☐ Yes

b) ☐ No

Diversity and Inclusion Demographics

Business Name: _____

Job Categories	Hispanic or Latino			Non-Hispanic Or Latino												Other/Undisclosed Race			All								
	Total	M	F	Black or African American			Asian			Native Hawaiian or Other Pacific Islander			American Indian or Alaska Native			Two or More Races			White			Total	M	F			
				Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F						
1 Board of Directors, CEO, CFO, COO, etc.	0			0			0			0			0			0			0			0			0	0	0
2 Managers	0			0			0			0			0			0			0			0			0	0	0
3 Supervisors	0			0			0			0			0			0			0			0			0	0	0
4 Support Staff	0			0			0			0			0			0			0			0			0	0	0
Total Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
General Instructions The categories have the same definitions as the diversity categories used by the United States Equal Employment Commission (EEOC) in its Employer Report EEO-1. See www.eeoc.gov/employers/eeo1survey/index.cfm for further information. Please complete all columns by entering the number of employees for each category (not the percentage of employees). Blank cells will be interpreted as having a value of zero.																											
Job Categories: - Board of directors, and CEO, CFO & COO: This row includes all members of the business's governing board (or executive committee), as well as CEO, CFO, COO, or equivalent positions. - Managers: All professionals who have a role in decision-making that affect all areas of business operations. - Supervisors: All professionals who have a role to work alongside employees to ensure that they perform tasks that align with the goals managers set. - Support Staff: All professionals who have a role in supporting the business functions, such as marketing, client service, operations, accounting, IT, and legal. - If an employee is both a member of the board of directors or occupies the position of CEO, CFO, or COO, as well as serves as a member of the staff, the individual may be counted in both rows.																											

Business Ownership of Attributes Consistent with EEO-1 Categories

		# of Owners	% Ownership
Hispanic or Latino	F		
	M		
	Total	0	0.00%
Black or African American	F		
	M		
	Total	0	0.00%
Asian	F		
	M		
	Total	0	0.00%
Native Hawaiian or Other Pacific Islander	F		
	M		
	Total	0	0.00%
American Indian or Alaska Native	F		
	M		
	Total	0	0.00%
Two or More Races	F		
	M		
	Total	0	0.00%
White	F		
	M		
	Total	0	0.00%
Other Race/Ethnicity	F		
	M		
	Total	0	0.00%
Not disclosed	F		
	M		
	Total	0	0.00%
TOTAL	F	0	0.00%
	M	0	0.00%
	Total	0.00%	0.00%

LACERA invites disclosure of any diversity attributes among your business's ownership (where applicable) and the percentage of ownership of each individual. LACERA takes a broad view of diversity (inclusive of gender, race and ethnicity, sexual orientation, gender identity, disability, and other attributes). We invite you to describe how your business defines diversity in your ownership profile.