

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

**EXHIBIT E**

**AGREEMENT FOR SERVICES**

This Contract for Auditing and Consulting Services Pool (“Contract”) is made and entered into by and between Los Angeles County Employees Retirement Association (“LACERA”) and [ ] (“Consultant”), and is effective as of the date shown in Section 5.

**Recitals**

LACERA seeks to select a pool of external firms with subject matter expertise to perform independent reviews of the organization’s activities, including information technology and investment-related services. Consultant represents that they possess the qualifications and expertise necessary to provide auditing or consulting services to assist the Internal Audit Division in the performance of its duties and desires to provide such services to LACERA.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

**Contract**

1. Services to be Provided.

1.1 Consultant agrees to perform the services (“Services”) described in the Statement of Work (“Statement of Work”) attached to this Contract as Exhibit B.

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

1.3 All writings prepared or furnished by Consultant 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 Consultant’s quality of service will be at least equivalent to that which Consultant provides to other clients he serves in the same capacity. Consultant will be held to the same standard of care, skill, prudence, and diligence that applies to other experts practicing in a like enterprise.

2. Independent Contractor.

2.1 Consultant 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 to be construed, to create any relationship of agent, servant, employee, partnership, joint

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

venture, or association between Consultant and LACERA. Consultant 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"). Consultant is not entitled to any rights, benefits, or privileges of County employees. Consultant is not eligible to participate in any insurance, savings, pension, or deferred compensation offered by LACERA or the County.

2.2 Consultant 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 Consultant 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 Consultant's services on a Form 1099.

2.4 Consultant 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. Consultant further represents and warrants that they will report any income accruing to him from this Contract to the appropriate taxing authorities.

3. LACERA's Project 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 Richard Bendall.

4. Indemnification and Insurance.

4.1 Consultant 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 third party claims for damages of any nature whatsoever arising from or connected with Consultant's operations or its services, including, without limitation, claims for bodily injury, death, personal injury, or property damage, including damage to Consultant's property, caused by Consultant in the performance of this agreement. Notwithstanding the foregoing, the Consultant shall not be liable for any special, consequential, incidental, exemplary damages or loss (or any lost profits, taxes, interest, tax penalties, savings or business opportunity) or any loss, damage, or liability arising from the negligence or willful misconduct of LACERA.

LACERA agrees that the liability of Consultant, including but not limited to, Consultant's negligence shall not exceed five times the fees he receives for the portion of the work giving rise to such liability. In addition, LACERA agrees that Consultant shall not under any circumstances be liable for any special, consequential, incidental or exemplary damages or

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

loss (nor any lost profits, taxes, interest, tax penalties, savings or business opportunity), even if Consultant was advised in advance of such potential damages. This limitation shall not apply to the extent that it is finally determined to be the result of the Consultant's willful misconduct or fraud. This paragraph shall apply to any type of claim asserted, including contract, statute, tort, or strict liability, whether by LACERA, Consultant, or others.

4.2. Without limiting Consultant indemnification of LACERA, Consultant shall provide and maintain at its own expense during the term of this Agreement the following policy or policies of insurance covering its operations hereunder. Such insurance shall be secured through a carrier satisfactory to LACERA and certificates evidencing such insurance shall be delivered to LACERA on or before the effective date of this Agreement. LACERA is to be given by Consultant at least thirty (30) days written notice in advance of any modification or cancellation of any policy of insurance.

4.2.1 Liability. Such insurance shall be primary in all instances and shall name Los Angeles County Employees Retirement Association as an additional insured, and shall include:

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

Kathryn Ton, LACERA  
300 N. Lake Avenue, Suite 840  
Pasadena, CA 91101-4199

4.3 Such certificates or other evidence shall:

4.3.1 Specifically identify this Contract.

4.3.2 Clearly evidence all coverages required in this Contract.

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

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

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

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

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 Consultant

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. Consultant's failure Consultant 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 Consultant resulting from said breach.

4.6 Compensation for LACERA Costs. In the event that Consultant 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, Consultant shall pay full compensation for all costs incurred by LACERA up to levels of insurance stipulated below.

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

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

4.9 Commercial General Liability. Consultant 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 Consultant's business operations and services that Consultant provides pursuant to this Contract. Such policy shall include, without limitation, endorsements for Property Damage, Premises-Operations, Products/Completed Operations, Contractual, and Personal/Advertising Injury with a limit of at least \$1,000,000 per occurrence and an annual aggregate of at least \$1,000,000.

4.10 Auto Liability. Consultant 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 \$300,000 each occurrence.

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

4.11 Workers' Compensation. Consultant shall bear sole responsibility and liability for furnishing Workers' Compensation benefits to Consultant's employees for injuries arising from or connected with any services provided to LACERA under this Contract. Consultant shall provide and maintain a program of Workers' Compensation, in an amount and form to meet all applicable statutory requirements, if Consultant hires employees.

5. Term.

The term of this Agreement commences on the EFFECTIV DATE and continues through [DATE]. LACERA may terminate this Agreement for its convenience by giving CONSULTANT at least 30 days prior written notice of termination. CONSULTANT may terminate the Agreement for his convenience by giving LACERA's Committee at least 30 days prior written notice of termination.

6. Non-Exclusive Services.

This Contract is not exclusive. Consultant has the right to perform services for others during the term of this Contract, but Consultant 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. Consultant 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 Consultant's compliance with this Section.

7. Compensation.

LACERA will compensate CONSULTANT for services rendered hereunder at the rate of [\$XXX] per hour plus reasonable expenses. Expenses include, for example and without limitation, postage, copying fees, and similar expenses, but specifically exclude, without limitation, workplace rental, office equipment and supplies, internet access, facsimile, pager and telephone expenses, utilities, clerical support, and mileage (except as mileage may be expressly authorized under LACERA's Education and Travel Policy. In no event, except as otherwise provided herein or by law, shall CONSULTANT's compensation exceed [XXXXXX] per calendar year during the term of this Agreement, unless the Audit Committee engages the CONSULTANT to perform assignments supplemental to this agreement. From time to time, Consultant may receive certain incentives in the form of bonuses and rewards from its corporate card and other vendors. Such incentives to the extent received will be retained by Consultant to cover firm expenses.

8. Invoices.

Consultant 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.

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

Each invoice must (a) describe in detail the Services performed and expenses incurred by Consultant 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 Consultant in writing of the disputed portion. Consultant and LACERA agree to act in good faith to resolve such disputes.

9. Contract Not Assignable.

Consultant 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. Consultant 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 Consultant, 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 Consultant.

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

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

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

10.1.4 Consultant will use best efforts, including but not limited to the highest level of care Consultant 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.

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

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

11. Nondiscrimination.

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

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

12. Compliance with Laws.

Consultant 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. Consultant shall indemnify and hold LACERA harmless from any loss, damage or liability resulting from a violation by Consultant of any such laws, rules, regulations, ordinances, and directives. Notwithstanding the foregoing, Consultant shall not be liable for any special, consequential, incidental, exemplary damages or loss (or any lost profits, taxes, interest, tax penalties, savings or business opportunity) or any loss, damage, or liability arising from the negligence or willful misconduct of LACERA.

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 Consultant, or have any direct or indirect financial interest in this Contract or in Consultant.

14. Modifications.

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

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

15. Termination for Default.

Services performed under this Contract may be terminated in whole or in part by LACERA providing to Consultant a written Notice of Default if (1) Consultant fails to perform the services within the time specified in this Contract or any extension approved by LACERA, provided Consultant shall not be liable for delays beyond his reasonable control, or (2) Consultant fails to materially perform any other covenant or condition of this Contract, or (3) Consultant fails to make progress so as to endanger its performance under this Contract provided Consultant shall not be liable for delays beyond his reasonable control.

Consultant 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 Consultant's Default, LACERA, in its sole discretion, may procure replacement services.

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

16. Termination for Convenience.

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

After receiving a Termination Notice under this section, and unless otherwise expressly directed by LACERA, Consultant 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.

In the event that Consultant determines, in his professional judgment, that he cannot complete the services, Consultant may withdraw from the engagement without liability. In addition, Consultant reserves the right to, in whole or in part, decline to perform services if information comes to his attention indicating that performing any Services could cause Consultant to be in violation of applicable law, regulations or standards or in a conflict of interest, or to suffer reputational damage. On termination of this Contract for whatever reason: (i) Consultant shall render an invoice in respect of any Services performed and expenses incurred since the date of the last invoice issued, and (ii) LACERA shall pay the undisputed amounts of such invoice.

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

17. Disaster Recovery & Business Continuity

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

18. Data Breach Verification

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

18.3 Consultant 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 Consultant shall electronically submit a single sample copy of that security breach notification, excluding any personally identifiable information, to the Attorney General.

18.4 Consultant 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).

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

19. Entire Contract and Severability.

This document (including Attachment A) constitutes the final, complete, and exclusive statement of the terms of the Contract between LACERA and Consultant 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.

20. Governing Law and Venue.

20.1 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.

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

20.2 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.

20.3 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.

21. 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 attorney's fees, which shall be included in the limitation of liability described in Section 4. 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.

22. Interpretation.

Consultant 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.

23. 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.

24. Standards of Performance.

LACERA acknowledges that the Services will involve analysis, judgment and other performance from time to time in a context where the participation of LACERA or others is necessary, where answers often are not certain or verifiable in advance, and where facts and

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

available information change with time. Accordingly, evaluation of Consultant's Services shall be based solely on his substantial conformance with any standards or specifications expressly set forth in this Contract and any applicable Statement of Work hereunder, and all applicable federal and state laws and regulations and applicable professional standards (including, but not limited to, the American Institute of Certified Public Accountants ("AICPA") Statements on Standards for Consulting Services). LACERA acknowledges that the Services will involve the participation and cooperation of management and others of LACERA. Unless LACERA and Consultant agree otherwise, in writing, Consultant shall have no responsibility to update any of his work after its completion.

**25 Other Costs.**

Unless expressly provided for, the Services do not include giving testimony or appearing or participating in discovery proceedings, in administrative hearings, in court, or in other legal or regulatory inquiries or proceedings. Except with respect to a dispute or litigation between Consultant and LACERA, Consultant's costs, expenses, and time spent in legal and regulatory matters or proceedings arising from this Agreement, such as subpoenas, testimony, bankruptcy filings or proceedings, consultation involving private litigation, arbitration, government or industry regulation inquiries, whether made at LACERA's request or the request of a third party, will be billed to LACERA separately at Consultant's standard rates for such services.

**26 Third Party Beneficiaries.**

The information contained in documents prepared by Consultant in the course of providing services under the terms of this Contract is for the sole use of LACERA in accordance with the purpose of this Contract hereunder. The Deliverables are not for a third party's benefit of reliance, and Consultant disclaims and contractual or other responsibility or duty of care to others based upon the Services, Work Product or Deliverables. Any Work Product, Deliverables, or documents delivered by Consultant shall be released only as redacted in accordance with law or with the prior written permission of Consultant. Except to the extent expressly provided hereto to the contrary, no third-party beneficiaries are intended under this Contract.

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

LACERA:

[Consultant Name]:

Los Angeles County Employees  
Retirement Association

By: \_\_\_\_\_

\_\_\_\_\_

**LACERA  
REQUEST FOR PROPOSALS  
AUDITING AND CONSULTING SERVICES AUDIT POOL  
ISSUED: DECEMBER 2020**

---

[TITLE]

[Authorized Signatory Title]

Address for notices:

Address for notices:

Richard Bendall,  
Chief Audit Executive  
LACERA  
300 N. Lake Avenue, Suite [XXX]  
Pasadena, CA 91101

[NAME]  
[STREET]  
[CITY, STATE, ZIP]

Approved as to form:

\_\_\_\_\_  
John Harrington  
LACERA Staff Counsel