

SEPTEMBER 10, 2019



**REQUEST FOR PROPOSAL**  
**CHECK AND 1099-R PRINTING AND MAILING SERVICES**

ROXANA CASTILLO, INTERIM ASSISTANT  
INFORMATION MANAGER  
626.564.6000/RCASTILLO@LACERA.COM  
300 NORTH LAKE AVENUE, SUITE 750  
PASADENA, CA 91101

## TABLE OF CONTENTS

1.	INTRODUCTION	3
2.	BACKGROUND INFORMATION	5
3.	SCOPE OF SERVICES	6
4.	MINIMUM QUALIFICATIONS	7
5.	NOTICE TO RESPONDENTS REGARDING THE PUBLIC RECORDS ACT AND RALPH M. BROWN ACT	7
6.	NOTICE TO RESPONDENTS REGARDING LACERA DATA PROTECTION	8
7.	RESPONSES BECOME LACERA PROPERTY	9
8.	CONTRACT NEGOTIATIONS	9
9.	RESERVATIONS BY LACERA	9

## EXHIBITS LIST

EXHIBIT A - INTENT TO RESPOND AND MINIMUM QUALIFICATIONS CERTIFICATION	11
EXHIBIT B - STATEMENT OF WORK	13
EXHIBIT C – FEE SCHEDULE	18
EXHIBIT D – SELECTION CRITERIA	19
EXHIBIT E –AGREEMENT FOR SERVICES	20
EXHIBIT F – PROPOSAL COVER PAGE AND CHECKLIST	28
EXHIBIT G – IT SECURITY CONTROLS	29

**LOS ANGELES COUNTY EMPLOYEES RETIREMENT ASSOCIATION  
REQUEST FOR PROPOSAL (RFP)  
CHECK AND 1099-R PRINTING AND MAILING SERVICES  
SEPTEMBER 9, 2019**

---

**1. INTRODUCTION**

---

1.1. Purpose of Request

The Los Angeles County Employees Retirement Association (LACERA), a \$58.4 billion public pension fund, is seeking proposals from qualified Firms (as defined in Section 1.6 below) to provide check printing and mailing services. Qualified Firms are invited to respond to this RFP.

1.2. Instructions for Response

Respondents to this RFP must submit the following for delivery **no later than 5:00 PM PDT on October 14, 2019** to the Project Manager specified in Section 1.3. below:

- One original unbound and five bound copies of the written response to this RFP. Exhibit B specifies the services that LACERA seeks.
- One unbound copy marked “REDACTED”, if applicable (See Section 5, Notice to Respondents Regarding the Public Records Act and Ralph M. Brown Act). The redacted copy should exclude all material from your proposal that you wish to disclose to LACERA but that you believe in good faith is exempt from disclosure under the California Public Records Act, Cal. Government Code Section 6250, et seq. Redactions should appear as blacked out material or blank page(s) with the word “REDACTED” or “PROPRIETARY” inserted. LACERA will comply with its legal obligations under the Public Records Act with respect to disclosure of redacted material. See Section IV below.
- An electronic copy of both the original and the redacted response in PDF format saved on separate DVDs, each labeled accordingly.
- Submittals shall be double sided with text in at least 10-point font, but no larger than 12-point font. Submittals shall address all RFP sections in the same order presented and be responsive to each section. 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.

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 additional information or clarifications from respondents, or to allow corrections of errors or omissions.

### 1.3. Contacts with LACERA Personnel

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

Roxana Castillo  
Interim Assistant Information Manager  
LACERA

Gateway Plaza  
300 North Lake Avenue, Suite 750  
Pasadena, CA 91101-4199

Email: rcastillo@lacera.com  
Phone: 626-564-6000 ext. 4478

### 1.4. Intent to Respond

If your firm chooses to respond to this RFP, please submit the Intent to Respond, Exhibit A, via email to Roxana Castillo, by 5:00 p.m. PDT, September 23, 2019. Failure to submit your Intent to Respond may disqualify your firm from submitting a response to this RFP.

### 1.5. RFP Questions

All questions, inquiries, and requests for additional information concerning this RFP should be directed to the Point of Contact, either by mail or email no later than September 30, 2019. LACERA's responses to written requests for clarification, or additional information, will be provided to all firms that have submitted an Intent to Respond posted to LACERA's website in the RFP page.

### 1.6. Quiet Period

Upon publication of this RFP, there shall be a quiet period to ensure that the RFP process is efficient, diligent, and fair. The quiet period is a "no contact period" and is intended to establish guidelines by which Trustees and staff will communicate with any Firm that intends to or actually does submit a response to the RFP ("Firm"). Questions concerning the quiet period should be directed to LACERA's Legal Office.

The quiet period shall continue until a final selection is made or the process is otherwise terminated. During the quiet period, all Trustees and staff, except for designated LACERA contact persons, shall refrain from communicating with Firms.

During the quiet period, no Trustee or staff member shall accept meals, travel, lodging, entertainment, or any other good or service of value from any Firm. If any Trustee or staff member is contacted by a Firm during the quiet period about a matter relating to the pending selection, the Trustee or staff member shall refer the Firm to the Project Manager and report the contact to the Chief Counsel.

The quiet period does not prevent Board-approved meetings or communications by staff with an incumbent contractor that is also a bidding Firm, so long as their communication is strictly limited to matters necessary in connection with the contractor's existing scope of work.

The quiet period does not prevent Board-approved meetings and communications by staff with any bidding Firm to the extent such communication is necessary as part of a due diligence process or necessary in connection with other LACERA business. Other than due diligence, discussion related to the pending selection is not permitted during these activities. A Firm may be disqualified from a search process for a willful violation of this policy.

1.7. RFP Scoring and Selection Criteria

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

The highest scoring Firms may be invited to an interview by LACERA’s Board(s). Firms will be offered the opportunity to present their materials to the Board(s) for questions.

1.8. 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.

<b>Event</b>	<b>Date</b>
RFP release date	September 10, 2019
Intent to Respond closing date	September 24, 2019
Written questions from Firms due date	October 1, 2019
LACERA’s response to Firms’ questions	October 8, 2019
RFP due date	October 15, 2019
Selection of Firm	November 7, 2019
Commencement of work	Upon contract execution

**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

166,000 members, including 104,000 active members and 62,000 retired members. About 51,000 and 52,000 retired members and survivors participate in the medical and/or dental retiree healthcare programs, respectively. In addition to benefits administration, the fund invests \$58.4 billion in assets to support payment of the promised pension benefits as well as additional sums to support the retiree healthcare program.

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

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

LACERA is inviting vendors to submit proposals to print, image, assemble, and mail monthly benefit payments ("checks"), direct deposit notices, 1099-R forms, and short-run refund payments to LACERA's retiree and beneficiary population.

### **3. SCOPE OF SERVICES**

---

The selected Vendor(s) must have at least five years of experience providing printing and mailing services to other public agencies or financial institutions. Vendor must comply with all USPS policies and standards related to barcoding and presort services, establish efficient and reliable turnarounds, provide quality printing and handling, offer a cost-effective program, and have flexibility in accommodating changes in new workflow and delivery methods. The detailed scope of work for this engagement is outlined in Exhibit B. The primary objectives are to provide LACERA with:

1. Data handling and transfer by using encrypted data file transfer via dedicated lines to the Vendor with immediate and automatic file receipt and processed file feedback
2. Check security by using printed stock that features: artificial watermark, void pantograph, preprinted warning border, micro-printing on signature line, thermochromic ink, and a prismatic iridescent blend on the face
3. Project management where a compulsory local representative from the Vendor is assigned as liaison to ensure a successful payroll production process

#### **4. MINIMUM QUALIFICATIONS**

---

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

1. Vendor will have a facility and perform all services within 50 miles of Los Angeles County.
2. Expertise in printing and mailing checks, direct deposit notices, and tax forms
3. Demonstrates appropriate capabilities, security, and procedures in proper handling (including disposal) of data, both hard and soft copies
4. Demonstrates appropriate disaster recovery plans
5. Ability to add seeds to mailing
6. Expertise in producing batch PDF files
7. Expertise in mass email delivery
8. Onsite USPS representative

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

---

The information you submit in response to this RFP will be subject to public disclosure pursuant to the California Public Records Act (Cal. Gov. Code Section 6250, et seq., the "Act") in the sole discretion of LACERA based on its interpretation of its legal obligations under 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. In addition, if LACERA staff chooses to recommend your Firm to the Board of Retirement for hiring, such recommendation and the relevant proposal(s) will appear on a publicly posted agenda for a public meeting of the Board of Retirement in accordance with the Ralph M. Brown Act (Cal. Gov. Code Section 54950, et seq.), and parts or all of your proposal may be included in the agenda packet that is available to the public generally. If it is included in the agenda packet, your proposal will not be exempt from disclosure under the Act.

If you believe that any portion of your response to this RFP that is provided to LACERA for its review is exempt from public disclosure under the Act and should not be included as part of the agenda packet, you must mark such portion "TRADE SECRETS," "CONFIDENTIAL," or "PROPRIETARY," make it readily separable from the balance of your response and offer a brief explanation for the exemption under the Act. Responses marked "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY" in their entirety will not be honored, and LACERA will not deny disclosure of all or any portion of responses so marked. By submitting a response with material marked "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY" you represent you have a good faith belief that the material is exempt from disclosure under the Act; however, such designations will not be conclusive or bind LACERA. You may be required to justify in writing why such material should not, upon request, be disclosed by LACERA under the Act and should

not be included in the agenda packet. Fee and pricing proposals are not considered "TRADE SECRET," "CONFIDENTIAL," OR "PROPRIETARY". LACERA may also in its sole discretion produce any information in your RPF response, including information marked "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY," in response to a Public Records Act request if LACERA believes it is required by law to do so.

If a request is made pursuant to the Act for materials you have marked "TRADE SECRET," "CONFIDENTIAL," or "PROPRIETARY," and LACERA agrees that the material requested is not subject to disclosure under the Act, LACERA will either notify you so you can seek a protective order at your own cost and expense, or LACERA will not disclose those materials. If LACERA denies public disclosure, then by submitting your proposal you agree to reimburse LACERA for, and to indemnify, defend, and hold harmless LACERA, its officers, fiduciaries, employees, and agents from and against any and 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, in connection with or relating to LACERA's nondisclosure. By submitting your proposal, you also agree to indemnify, defend, and hold LACERA harmless from and against any and all Claims arising from, in connection with, or relating to LACERA's public disclosure of any such designated portions of your response if LACERA reasonably determines disclosure is required by law, or if disclosure is ordered by a court of competent jurisdiction.

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

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

---

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

Depending upon the scope of work, the finalist selected through this procurement may have access to sensitive information protected by LACERA's internal policies, state law, and federal law. In such a case, by submitting a proposal, respondent agrees to subject itself to certain contractual terms designed to protect such information, including without limitation cyber liability insurance, SOC-2 reports (or, in the alternative, a *Security Controls Report* as per Exhibit G), systems penetration testing, and HIPAA Business Associate agreements, as the case may be.

## **7. RESPONSES BECOME LACERA PROPERTY**

---

The information you submit in response to this RFP will become the exclusive property of LACERA. Your response will not be returned to you, and LACERA will not be liable for and will not reimburse you for any costs your Firm incurs in connection with the preparation or submission of any proposal.

## **8. CONTRACT NEGOTIATIONS**

---

Upon Board approval, staff will enter into contract negotiations with the approved Firm(s). LACERA may terminate negotiations, at its sole discretion, if it believes a satisfactory agreement cannot be negotiated. LACERA reserves the right to award a contract based upon proposals received; you should not rely upon the opportunity to alter your proposal (e.g., 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 E. By submitting a proposal without comment on the general form contract, Firm 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 E in our sole discretion.

If a Firm objects to a term in the general form contract, or wishes to modify or add terms, the Firm's proposal must identify each objection, and propose language for each modification and additional term sought, including the rationale for the change. LACERA reserves the right to make changes to the contract prior to execution, including material changes.

## **9. RESERVATIONS BY LACERA**

---

LACERA reserves the right to cancel this RFP, in whole or in part, any time before the closing date.

LACERA is not liable and will not reimburse you for any costs your Firm incurs in connection with the preparation or submission of any proposal.

If you submit a response to this RFP, LACERA reserves the right to make such investigations as it deems necessary to determine your ability to furnish the required services, and you agree to furnish all such information for this purpose as LACERA may request.

LACERA also reserves the right to reject the proposal of anyone 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.

LACERA reserves the right to reject, in whole or in part, any and all proposals received; waive minor irregularities; negotiate in any manner necessary to best serve the public interest, and make a whole award, multiple awards, partial award, or no award.

LACERA reserves the right to award a contract, if at all, to the Firm or Firms that, in LACERA's sole discretion and judgment, will provide the best match to the requirements of the RFP and the needs of LACERA, which may not be the proposal offering the lowest fees.

LACERA reserves the right to request additional documentation or information from Firm. Requested information may vary by Firm. LACERA may ask questions of any Firm to seek clarification of a proposal or to ensure the Firm understands the scope of the work or other terms of the RFP. LACERA reserves the right to terminate or modify this RFP.

LACERA reserves the right to submit the final agreement between LACERA and the Firm to the BOR, BOI, or both, as applicable, for approval.

This RFP is not an offer of a contract. Acceptance of a proposal does not commit LACERA to award a contract to any Firm, even if the Firm satisfied all requirements stated in this RFP. Publication of this RFP does not limit LACERA's right to negotiate for the services described in this RFP. If deemed by LACERA to be in its best interests, LACERA may negotiate for the services described in this RFP with a party that did not submit a proposal. LACERA reserves the right to choose to not enter into an agreement with any of the Bidders to this RFP.

**EXHIBIT A  
INTENT TO RESPOND AND  
MINIMUM QUALIFICATIONS CERTIFICATION**

Intent to Respond

If you choose to respond to this RFP please submit this form to Roxana Castillo via email no later than 4:00 p.m., September 23, 2019 PDT. Failure to submit your Intent to Respond may disqualify your firm from submitting a proposal.

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

<b>To:</b>	Roxana Castillo	<b>From:</b>	
<b>Co.:</b>	LACERA – Systems	<b>Title:</b>	
<b>Phone:</b>	626-564-6000 ext. [4478]	<b>Co.:</b>	
<b>Email:</b>	rcastillo@lacera.com	<b>Phone:</b>	
<b>Re:</b>	Intent to Respond	<b>Email:</b>	
		<b>Date:</b>	

Our firm intends to submit a response for LACERA's RFP for Check and 1099-R Printing and Mailing Services.

Please forward inquiries to the following contact:

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

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

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

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

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

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

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

## MINIMUM QUALIFICATIONS CERTIFICATION

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

### Minimum Qualifications include:

1. California-based printing and mailing (Southern California preferred) with location near USPS sectional center
2. Demonstrates appropriate capabilities, security, and procedures in proper handling (including disposal) of data, both hard and soft copies
3. Demonstrates appropriate disaster recovery plans
4. Expertise in printing and mailing checks, direct deposit receipt notices, and tax forms
5. Ability to add seeds to mailing
6. Expertise in producing batch PDF files
7. Expertise in mass email delivery
8. Onsite USPS representative

**The undersigned hereby certifies that he/she is 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 B STATEMENT OF WORK

### BACKGROUND

LACERA produces approximately 68,600 direct deposit notices and payroll checks for retired employees on or before the 30th of each month. All checks/notices/forms are to be printed, mailed, and a PDF file created. USPS Move Update Certification is required. Vendor is required to standardize the mailing address to postal standards to ensure delivery. Mailing to be sorted into three populations: “foreign,” “counter checks,” and “domestic.” Domestic population should be mailed at discounted bulk rates.

<b>TYPE</b>	<b>FREQUENCY</b>	<b>VOLUME</b>	<b>TASK REQUIRED</b>
<b>Checks</b>	Monthly	2,600	Print and mail
<b>Direct deposit receipts</b>	Monthly	66,000	Print, mail, and create PDF
<b>1099-Rs</b>	Annual (by 1/31/yyyy)	78,000	Print, mail, and create PDF
<b>Ad hoc mass mailing</b>	Ad hoc	Between 1,000 and 66,000	Print, mail, and create PDF
<b>Ad hoc check printing (special refunds, etc.)</b>	Ad hoc	Between 1,000 and 66,000	Print and mail
<b>USPS Move Update Certification</b>	Every 3 to 5 years	N/A	Produce USPS Move Update file for certification

### PRINTING REQUIREMENTS

Vendor shall be responsible for the procurement and maintenance of all form stock, including checks, direct deposit notices, 1099-R forms and envelopes. In addition, Vendor shall be responsible for the procurement and maintenance of all printers, imaging software, and ancillary equipment used in the production of documents for LACERA.

Vendor shall present design for all forms to LACERA for approval.

Data is available for FTP transmission on the designated payroll dates. All data will be provided with an accompanying report for auditing purposes. Vendor must have complete telecommunications capabilities, including FTP set-up, so that either media or FTP method of data receipt can be utilized.

Vendor shall have the ability to print all intelligent inserts and envelopes in accordance with the templates and specifications provided by LACERA. Print an optical character recognition scan line on check stubs and/or documents based on requirements set forth by LACERA.

Vendor must perform quality testing 24 hours prior to each production run. During this inspection test, a significant number of forms are to be processed to assure compliance with the agreed upon quality standards. LACERA reserves the right to request to see these test forms at any time during the week of payroll.

Data is to be processed as follows: a) audit the record counts and print an audit report, b) assign form control numbers for special pulls, quality testing and auditing, and c) create report of counts by location for both payroll checks and direct deposits.

Security is a strict requirement of the check printing process. All blank check stock must be secured in a locked vault until the time of production. This vault must be restricted to no more than five employees. During each run, no visitors or unauthorized personnel should be allowed in the area of production without strict adherence to standard security measures.

Every consecutively numbered form must be fully accounted for by Vendor. An audit sheet must be used throughout the production to log any samples due to quality checking or jamming. At the end of the run, the number of forms used minus the samples *must* equal the number of live checks. If there is any variance, it is the Vendor's responsibility to review each check by hand to find the problem.

Each sample taken must be marked "VOID" and kept onsite at vendor's location for a period of two years and made available upon request.

Payroll stock must be used in numerical sequence, no exceptions.

Imaging must be toner quality with a minimum of 300 x 300 DPI.

All imaging must meet Federal Reserve Board MICR specs. All MICR must be thoroughly tested with our designated bank, which must submit written approval of test forms. Tested forms must read equal to or greater than a 99.9% rate.

Vendor is entirely responsible for IRS 1099-R form changes and seeking LACERA's signoff on such changes.

Special pulls may be requested from time to time. It is the responsibility of the Vendor to handle these special arrangements.

Materials for inserts may be provided by LACERA on an as needed basis. Vendor may be asked to be responsible for all litho printing of the inserts as well as inserting them (including LACERA-provided insert materials) within the specified time frame.

Once each segment of the payroll is audited and balanced, it can be released for inserting.

Several audits should take place to ensure that each mailing is 100 percent complete. Internal counters on the inserters, a complete hard copy audit report, as well as JETVision, or a competitive equivalent, should be utilized to read an automated consecutive number and absolutely guarantee that there are no double-stuffed mail packages. All responding vendors should clarify their proposed auditing procedures in their returned bid.

#### **SORTING AND MAILING**

The vendor shall guarantee 100 percent compliance with all applicable USPS policies and standards related to barcoding, presort services, and delivery to the USPS. The delivery of all print jobs to the USPS must be completed by the deadlines established by LACERA.

The vendor shall provide the following:

- Presorted mail, combined with the most current standard barcode to ensure the lowest first-class postage available
- Barcoding to provide the ability to track individual pieces of mail as requested by LACERA
- Forwarding and address correction service via NCOALink®
- Reports on change of addresses, undeliverable mail, and address corrections via a data file, or some similar service which acceptable to LACERA
- County quality control monitoring

On an ongoing basis, the vendor's performance will be compared to the contract standards. LACERA may use a variety of inspection methods to evaluate the vendor's performance. The methods may include, but are not limited to:

- LACERA retiree complaints
- 100 percent inspection of completeness and quality of work on a periodic basis
- Reconciliation of daily recap reports (reconciled per piece count of all mail)
- Adherence to LACERA policies, procedures, rules, and regulations
- Adherence to USPS policies, procedures, rules, and regulations

Vendor must perform quality testing 72 hours prior to each production run to ensure compliance with LACERA's quality and folding/perforation requirements. Vendor shall provide LACERA with 100 print samples of the checks. Vendor will correct any formatting errors identified by LACERA prior to running the print job.

All mail pieces must be sorted using the most up-to-date CASS certified software for full ZIP+4 delivery point barcoded rates. No comingling of mail is allowed due to the sensitive nature of payroll. Instead, the file is fully CASS certified and delivered to the Post Office directly.

Once the payroll checks and direct deposits are inserted into their envelopes, they are to be metered and placed in U.S. Post Office mail trays. Completed payroll trays must be kept in a controlled secure area with limited access until mailing.

Use of California USPS office is mandatory, Southern California preferred.

Upon mailing, LACERA must receive (via email attachment): a) a copy of the audit report verifying count totals, and b) a copy of the control sheet showing accountability for all of the pre-printed stock.

#### AS-NEEDED MAIL JOBS

The vendor may be required to perform as-needed mail jobs throughout the contract term as directed by LACERA. However, LACERA does not guarantee a minimum or maximum of as-needed mail jobs. As-needed mail jobs may include other one-time or recurrent mail jobs. The as-needed mail jobs will be similar in scope to the ones under this contract. Pricing for as-needed mail jobs shall be in accordance with Exhibit C, Fee Schedule.

## QUALITY CONTROL PLAN

The Vendor shall establish, maintain, and utilize a comprehensive quality control plan to assure LACERA, a consistently high level of service. The plan shall include, but may not be limited to the following:

- Internal control procedures to ensure that each mailing is 100 percent complete, maintained and updated as necessary and/or as requested by LACERA
- A record of employee training on said procedures and management's methods of monitoring compliance with internal procedures
- The activities to be monitored by the vendor, clarification if the monitoring will be scheduled or unscheduled, the minimum frequency, and the title of the individual(s) performing the monitoring
- A record of all audits/inspections conducted by the vendor and any corrective action taken, including the time a problem was identified, a clear description of the problem, and the time elapsed between the identification and completed corrected action
- The methods used by the vendor for identifying and preventing deficiencies in quality of service before the level of performance becomes unacceptable and not in compliance with this contract
- Security procedures approved by LACERA and maintained to ensure the protection of all mailing services documents, postage, and envelopes in the vendor's possession against theft, fire, water, or any other damage or loss by any cause
- A file maintained by the vendor of all the inspections conducted by LACERA and, if necessary, the corrective action taken. This file shall be made available, upon request by LACERA throughout the term of the contract.

## VENDOR'S PERSONNEL

The vendor shall assign a sufficient number of employees to perform the required work.

Personnel assigned by the vendor to perform the required services shall at all times be employees of the vendor. The vendor shall have the sole right to hire, suspend, discipline, or discharge them. However, any employee of the vendor assigned to this contract who in the opinion of LACERA is unsatisfactory shall immediately be removed with cause from servicing the contract.

The vendor's Contract Manager/Alternate Contract Manager must have a minimum of three years documented experience providing services similar to those requested in the contract; be a full-time employee of the vendor; and be able to fluently read, write, speak, and understand English.

The vendor's Contract Manager/Alternate Contract Manager shall have full authority to act for the vendor on all matters relating to the daily operations of the contract. The Contract Manager/Alternate Contract Manager shall be available during normal work hours, 8:00 a.m. to 5:00 p.m. Pacific Time (PT), Monday through Friday, for telephone contact and to meet with LACERA personnel designated to discuss the operation of the contract. During mail jobs, the Vendor's Contract Manager or Alternate Contract Manager shall be available by telephone 24 hours per day, seven days per week.

#### DATA PROCESSING:

Vendor must have a fully integrated processing system that does the following, in one automated process without manual intervention: a) receives LACERA's files, in any format and size, electronically, b) sends an immediate, real-time automatic email confirmation that the file has arrived, c) processes file immediately and, when complete (in less than 30 minutes), sends a second automatic email that contains the number of records, other file information, and a link to the Vendor's web page.

The Vendor's web page should show a minimum of 40 randomly selected records with a complete electronic image of all forms and variable data as will be printed on the high-speed laser printers. Vendor must be capable of storing all images to be used for archives and retrieval by LACERA staff.

For all stored images, LACERA requires the ability to electronically search and review the form and variable data presented on any account within the file as well as approve the payroll electronically. Online approval must generate automatic email confirmations of that approval to a predetermined email distribution list.

**EXHIBIT C  
FEE SCHEDULE**

To be determined

**EXHIBIT D  
SELECTION CRITERIA**

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

	<b>CRITERIA</b>	<b>WEIGHT</b>
1	Ability and capacity of respondent team to provide services.	30%
2	Respondent's organizational structure, business platform, culture, process, and approach to meeting LACERA's needs	30%
3	Resources, expertise, and experience of the respondent and assigned individuals (e.g. qualifications, experience, depth, and strength of respondent's team assigned to LACERA)	20%
4	References and background checks	10%
5	Fee Proposal	5%
6	Quality, clarity and responsiveness of proposal	5%

**EXHIBIT E**  
**AGREEMENT FOR SERVICES**  
**CHECK AND 1099-R PRINTING AND DISTRIBUTION**

This Contract for check and 1099-R printing and distribution (“Contract”) is made and entered into by and between Los Angeles County Employees Retirement Association (“LACERA”) and [NAME] (“Vendor”), and is effective as of the date shown in Section 5.

**Recitals**

LACERA seeks a Vendor with expertise in payroll check printing and mailing and form 1099-R printing and distribution.

Vendor represents that they possess the experience that LACERA seeks.

**Agreement**

1. Project Responsibility.

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

1.2 Vendor will perform all Services within 50 miles of Los Angeles County.

1.3 Vendor’s services will meet the requirements and standards set forth in this Agreement. Vendor will promptly correct any errors or omissions in the provision of such services, at no cost or expense to LACERA, within two (2) business days after request by LACERA.

1.4 Vendor will be reasonably available during LACERA's normal working hours for telephone contact and to meet with LACERA personnel designated to discuss Vendor's performance.

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 to 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 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 Roxana Castillo, Interim Assistant Information Manager.

4. Indemnification and Insurance.

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.

Without limiting Vendor's indemnification of LACERA, Vendor shall provide and maintain at its own expense during the term of this Contract 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 Contract, and shall stipulate that LACERA is to be given at least thirty (30) days written notice in advance of any modification or cancellation of any policy of insurance.

4.1 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:

4.1.1 Comprehensive General Liability Insurance (excluding automobiles); Products and Completed Operations; for bodily injury and property damage, with combined single limit of \$1,000,000.00 each occurrence and an annual aggregate of at least \$2,000,000.

4.1.2 Automobile Liability Insurance for all owned and non-owned vehicles, with bodily injury and property damage combined single limit of \$300,000.00 each occurrence.

4.1.3 Professional Liability Insurance covering errors and omissions with combined single limit of \$1,000,000.00 each occurrence.

4.1.4 Cyber Liability Insurance, without limiting any of the obligations or liabilities of Vendor, it shall carry and maintain, at its own expense including any applicable deductibles or retention, cyber liability insurance with limits of not less than \$1,000,000 for each occurrence and an annual aggregate of \$2,000,000 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.

4.2 Workers' Compensation. Vendor's employees shall be covered by Worker's Compensation insurance in an amount and form to meet all requirements of applicable Labor Codes of the State of California.

4.3 Certificates of Insurance. All surety certificates or affidavits of insurance, and cancellation of change notices affecting such insurance coverage, must be received via Registered Mail at:

Los Angeles County Employees Retirement Association  
300 North Lake Avenue, Suite 750  
Pasadena, CA 91101

Attn: Roxana Castillo  
Systems Division

4.3.1 Such certificates or other evidence shall specifically identify this Agreement, and:

4.3.1.1 Clearly evidence all coverages required in this Agreement.

4.3.1.2 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.

4.3.1.3 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 Agreement.

## 5. Term.

The term of this Contract begins upon contract execution (the "Start Date"), and unless terminated for convenience, ends June 30, 2022. Thereafter, this Agreement automatically renews for periods of one year each under the same terms, conditions and compensation, unless either party delivers its written request for changes or desire not to further extend the term not less than thirty (30) days, if the notice is from LACERA, and not less than one hundred eighty (180) days, if the notice is from Vendor, prior to the end of the then current term of the Agreement.

## 6. Non-Exclusive Services.

This Contract is not exclusive. LACERA may hire multiple entities to perform the services of this agreement. 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 is not entitled to any compensation other than that specified in this Contract.

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.

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

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

(a) Vendor shall not disclose Confidential Information to any person within its organization except those persons required to perform the services of the Agreement.

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

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

(d) 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.

(e) Vendor will not use the Confidential Information for any purpose other than to perform the services required by this Agreement. This confidentiality provision will survive the termination of the agreement.

11. Nondiscrimination.

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

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

12. Compliance with Laws.

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

13. Conflict of Interest.

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

14. Modifications.

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

15. Termination for Default.

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

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

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

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

16. Termination for Convenience.

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

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

17. Entire Contract.

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.

18. Governing Law and Venue.

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. Should either party initiate a legal proceeding over any matter relating to or arising out of this Contract, such proceeding shall be filed and conducted in the state courts located in the County of Los Angeles, California, and all parties consent to such venue and the personal jurisdiction of all such courts.

19. 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.

20. Interpretation.

Vendor acknowledges they have been given the opportunity to have counsel of his 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.

21. Waiver.

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

*Remainder of Page Intentionally Left Blank*

IN WITNESS WHEREOF, Vendor has signed this Contract, and the Chief Counsel of LACERA has signed this Contract, effective as of the date indicated in Section 5.

LACERA:

[Vendor Name]:

Los Angeles County Employees  
Retirement Association

By:

\_\_\_\_\_  
Steven Rice  
LACERA Chief Counsel

\_\_\_\_\_  
[Vendor Title]

Address for notices:

Roxana Castillo  
Interim Assistant Information Manager  
LACERA  
300 N. Lake Avenue, Suite 750  
Pasadena, CA 91101

Address for notices:

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

Approved as to form:

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

**EXHIBIT F**  
**PROPOSAL COVER PAGE AND CHECK LIST**  
**(TO BE SUBMITTED IN FIRM'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 comply with all requirements.

Respondent specifically acknowledges the following facts:

1. Respondent possesses the required technical expertise and has sufficient capacity to provide the services outlined in the RFP.
2. Respondent has no unresolved questions regarding the RFP and believes that there are no ambiguities in the scope of work.
3. The Fee Schedule Submitted 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 submitted during the RFP process are subject to disclosure pursuant to 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 G IT SECURITY CONTROLS**

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

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

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

If respondent fails to obtain an annual Security Controls Report, LACERA shall have the right to retain an independent audit firm to perform such an audit engagement for such a report. The audit will include the controls, information functions, and processes utilized or provided by respondent. Respondent agrees to allow the independent audit firm to access its facilities for purposes of conducting this audit engagement. They will provide the necessary support and cooperation to the independent audit firm.

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

## IT Security Controls - LACERA Environment

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

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

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

## APPENDIX 1