



SCERS

**SACRAMENTO COUNTY
EMPLOYEES'
RETIREMENT SYSTEM**

REQUEST FOR PROPOSAL-

AUDIT SERVICES -

INDEPENDENT
FINANCIAL
STATEMENT
AUDITOR

RFP Number: 2026-Gen-0002
RFP Issue Date: February 2, 2026
RFP Submission Deadline: March 4, 2026

Issued by: Margo Allen, Chief Operations Officer

SCERS:
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I. INTRODUCTION

A. Purpose of Request

The Sacramento County Employees' Retirement System (SCERS, the system) is seeking a certified public accounting firm to audit its annual financial statements and schedules related to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and express an opinion on the fair presentation of these financial statements and schedules. SCERS, as a California Public Retirement System, is required to furnish audited financial statements to the State Controller annually (see *CA Government Code 7501-7504*).

To assist your firm in estimating the level of effort required to render an opinion on the compliance requirements, please refer to the *Minimum Audit Requirements and Reporting Guidelines for Public Retirement Systems* issued by the State of California Controller's Office¹.

SCERS' financial accounting transactions are recorded on a modified accrual basis, using Generally Accepted Accounting Principles (GAAP), and its financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) requirements. Additionally, the audit must be performed in accordance with Generally Accepted Auditing Standards as set forth by the American Institute of Certified Public Accountants and the standards applicable to financial audits contained in Generally Accepted Government Auditing Standards.

Any inquiries concerning this request for proposal must be submitted through the OpenGov portal at <https://procurement.opengov.com/portal/saccounty/projects/229723> by 5:00 p.m. PST on February 20, 2026. All questions must reference the RFP section and page number to which the question refers. SCERS will post responses on the OpenGov portal prior to the question response deadline date posted on OpenGov.

Respondents must submit an electronic copy of the written response to this RFP using the OpenGov portal no later than 5:00 p.m. PST on March 4, 2026. SCERS reserves the right to reject any proposal submitted. An evaluation committee consisting of key SCERS staff, consultants, and an Audit Committee member will review all proposals and provide a hiring recommendation to SCERS' Chief Executive Officer and the Audit Committee for their consideration.

The term of the engagement is for five (5) years, with the option to extend the original engagement period for five (5) one-year extensions, upon the mutual agreement of SCERS and the selected firm under the same terms and conditions, subject to the annual review and recommendation of the Board of Retirement and the satisfactory negotiation of terms, including a price acceptable to both SCERS and the selected firm.

¹ State of California Office of the Controller. *Minimum Audit Requirements and Reporting Guidelines for Public Retirement Systems*. https://sco.ca.gov/Files-ARD-Local/LocRep/retirement_audregs.pdf

This Request for Proposal (RFP) details the requirements needed by SCERS and instructs interested Proposers on the application and selection process. All firms meeting the minimum qualifications outlined in this RFP are invited to propose. The services required are described in more detail in *Section II.A Scope of Services*.

B. Background

Sacramento County Employees' Retirement System (SCERS) is a multiple-employer public employee retirement system, enacted and administered in accordance with the provisions of the County Employees Retirement Law of 1937 (California Government Code Section 31450, et seq.) (1937 Act). Since its creation by the Sacramento County Board of Supervisors in 1941, SCERS has provided retirement, disability, and survivors' benefits to eligible participants which include permanent full-time and part-time employees of the County of Sacramento; Superior Court of California (County of Sacramento); and ten Special Districts (Sacramento Area Sewer District, Sacramento Employment and Training Agency, Galt-Arno Cemetery District, Carmichael Park and Recreation District, Mission Oaks Park and Recreation District, Elk Grove-Cosumnes Cemetery District, Orangevale Park and Recreation District, Fair Oaks Cemetery District, Sunrise Park and Recreation District, Rio Linda Elverta Recreation and Park District. SCERS has approximately 13,952 active members, 14,606 retired members, and 5,102 inactive members. As of June 30, 2025. SCERS' net position restricted for pension benefits totaled approximately \$14.5 billion. For additional information, visit SCERS' website at SCERS.gov or by [Clicking Here](#).

The Board of Retirement has responsibility over administration of the system in accordance with governing law, managing risk, and protecting both plan assets and the interest of the plan beneficiaries. The Board of Retirement consists of eleven board members of which two are alternate members. The 1937 Act states one member shall be the County Treasurer; the second and third members shall be general members of the system elected by their peers; the fourth, fifth, sixth and ninth members shall be qualified electors of the County and shall be appointed by the Board of Supervisors; the seventh member shall be elected by and be a member of the system's safety membership; the eighth member shall be a retired member elected from the retired membership.

The day-to-day management of SCERS is delegated to a Chief Executive Officer appointed by the Board of Retirement. SCERS staff are responsible for daily operations involving the administration of retirement, disability and death benefits, member services, accounting functions, systems management, and portfolio administration. SCERS collects, deposits, invests, and manages retirement trust funds solely in the interest of, and for the exclusive purpose of providing benefits to, participants and their beneficiaries. As of June 30, 2025, SCERS provided retirement, disability and death benefits services to its 33,660 active, inactive, and retired members and beneficiaries. SCERS acts as fiduciary agent for the accounting and control of member and employer contributions and investment income.

C. General Information

1. Prior Fiscal Year Audits of SCERS' Annual Financial Statements and GASB 68 Audits

Each fiscal year, SCERS prepares annual financial statements that present a comprehensive view of its financial condition including SCERS' financial statements, investment performance, actuarial valuation information for the retirement benefits, and statistical information. SCERS publishes an Annual Comprehensive Financial Report (ACFR), which describes the system's activities, provides complete financial statements, and summarizes investment performance and actuarial funding status.

The GASB 68 Report provides pension liability and expense information for financial reporting purposes for employers. The GASB 68 Audit is an external audit opinion that assesses the schedule of pension amounts by employer within the actuarial valuation report. To view SCERS' most recent ACFR, visit SCERS' website².

2 Actuarial Information

SCERS engages an independent actuarial consulting firm, Segal Consulting, to conduct an annual actuarial valuation to monitor SCERS' funding status. The actuarial consultant completes annual actuarial valuations, in accordance with applicable California Government Code Sections and policies of SCERS' Board of Retirement. On a triennial basis, the actuary performs an analysis of the appropriateness of all economic and demographic assumptions. To view SCERS' most recent Actuarial Reports, visit SCERS' website³.

3 Investments

The Board of Retirement has primary responsibility for the governance model of the investment program and establishing SCERS' investment policy statement. The Board utilizes the services of investment consultants for guidance on strategic asset allocation and interim market tactics, selection and monitoring of plan and manager performance, assisting with documentation, and guiding Board education. The Chief Investment Officer and other Investment Staff, along with the Chief Executive Officer, are responsible for the implementation and maintenance of the Investment Program. Investment Managers are responsible for making investment decisions and accountable for achieving their investment objectives. Managers and General Partners of commingled funds in which SCERS is a limited partner have the responsibilities and duties set forth in their respective limited partnership agreements. The System's current Custodian Bank, State Street Bank and Trust, is responsible for the safekeeping of assets, trade reconciliation and settlement, income

² SCERS Annual Reports: [Annual Comprehensive Financial Report \(ACFR\) - Sacramento County Employees' Retirement System](#)

³ SCERS Actuarial Reports: [Actuarial Reports - Sacramento County Employees' Retirement System](#)

collection, short term investing, securities lending, commission recapture, and compliance monitoring. SCERS will be transitioning custodial services to Northern Trust Bank in early 2026. More detailed information regarding SCERS' strategic asset allocation, professional investment advisors, and investment performance, visit SCERS' website⁴

4 Accounting and Reporting

SCERS operates as an independent governmental entity and follows Governmental Accounting Standards Board (GASB) accounting principles and reporting guidelines. The Annual Comprehensive Financial Report (ACFR) will be prepared by SCERS in accordance with the standards promulgated by the GASB and the format and content necessary to qualify for the Certificate of Achievement for Excellence in Financial Reporting issued by the Government Finance Officers Association of the U.S. and Canada (GFOA).

While SCERS is legally separate entity from the County, SCERS is considered a fiduciary component unit of the County of Sacramento. SCERS financial information is included in the Sacramento County financial statements as a Pension Trust Fund in the Statement of Fiduciary Funds Net Position.

5 System Applications and Technology

SCERS utilizes a Local Area Network (LAN) to support end-user computing and to serve as a communications network.

SCERS utilizes the County of Sacramento's Comprehensive Online Management Personnel and Accounting System (COMPASS) for its accounting functions including general ledger, accounts payable, and capital assets tracking, as well as all administrative, investment, and retirement activities are posted in COMPASS. Benefit payments are processed and paid by COMPASS. Financial statements are also generated from the COMPASS system. SCERS' employee payroll is processed by the County of Sacramento.

The system of record for active membership is an in-house pension administration application known as MBase. MBase maintains active members' biweekly payroll and contribution information. SCERS is anticipating to implement a new pension administration system starting in the 2026-27 fiscal year.

⁴ SCERS Investment Reports: [Investments - Sacramento County Employees' Retirement System](#)

6 Administrative Expenses

SCERS' Board of Retirement annually adopts the operating expense budget. The operating expense budget includes allocations for capital assets, which are carried at cost, net of accumulated depreciation and amortization. The administrative expenses are charged against the earnings of the fund in accordance with the CERL and are statutorily limited to twenty-one hundredths of one percent of SCERS' actuarial accrued liability.

7 Benefit Provisions

SCERS provides service and disability retirements to its members, and death benefits to a member's beneficiary(ies) and/or eligible survivor(s), a post-retirement active death benefit, a burial allowance, and an annual cost-of living adjustment. All eligible employees of the County or one of the ten other participating employers are automatically enrolled in SCERS. The designation assigned to each job classification eligible for SCERS membership determines the level of member benefits. There are two membership categories: 1) Safety Membership applies to active law enforcement, firefighting or other positions that have been designated as Safety. 2) Miscellaneous Membership applies to all other positions that are not designated for Safety Membership. These membership categories have different formulas, pensionable compensation, and eligibility requirements. SCERS provides two member handbooks based on dates of hire. To view SCERS' member handbooks, visit SCERS' website⁵.

SCERS' service retirement allowance is calculated using the formula based on membership category and benefit tier, which considers the following three factors: 1) age at retirement; 2) years of service credit at retirement; and 3) final compensation. Members are credited with one year of service credit for working one year of regular, full-time hours, and for which retirement contributions have been deducted from your pension-eligible compensation. SCERS members become "vested" after five (5) or more years of full-time service with SCERS. Member contributions are generally required for all periods of employment after becoming a member of SCERS. However, for all safety members, and for miscellaneous members hired on or before March 7, 1973, who have maintained continuous membership in SCERS, member contributions stop after 30 years of service credit. However, employer retirement contributions continue to be paid based on pension-eligible compensation and the members will continue to earn service credit that will be used in the calculation of retirement benefits. SCERS is dedicated to providing the highest level of retirement services and managing system resources in an effective and prudent manner.

⁵ SCERS Member Handbooks [Member Handbooks - Sacramento County Employees' Retirement System](#)

II. STATEMENTS OF WORK

The selected Independent Financial Statement Auditor, hereafter referred to as “Auditor”, will provide the following services as outlined below.

A. Scope of Services – Assurance & Attestation

1. Financial Statement Auditing Services

- Perform an audit and express an opinion on the fair presentation of SCERS’ annual financial statements in conformity with generally accepted accounting principles. The Auditor shall be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards. The Auditor will review the basic requirement of internal controls for SCERS. The Auditor will advise SCERS about the appropriateness of accounting policies and their application. The Auditor will evaluate SCERS’ compliance with accounting principles generally accepted in the United States of America.

The Auditor will review the Annual Comprehensive Financial Report (ACFR) that SCERS issues annually. The Auditor will not be required to audit the supporting schedules contained in the ACFR. However, the Auditor is to provide an “in relation-to” opinion on the supporting schedules based on the auditing procedures applied during the audit of the general-purpose financial statements. The Auditor is not required to audit the introductory, investment, actuarial and statistical sections of the report but to review them for consistency. The Auditor will review census data and member data when auditing samples of member records.

- Present audit results to SCERS’ Audit Committee.

2. GASB Disclosure Auditing Services

- Perform an audit and express opinions in accordance with AU-C 805, Special Considerations, Audits of Single Financial Statements and Specific Elements, Accounts, or Items of a Financial Statement (AICPA, Professional Standards) on any stand-alone schedules such as the Governmental Accounting Standards Board (GASB) Statement No. 68 Schedule of Employer Allocations, Schedule of Collective Pension Amounts or Schedule of Pension Amounts by Employer.

The Auditor shall express an opinion about whether SCERS’ Schedule of Employer Allocations, and the total for all entities of the columns entitled net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension

expense included in SCERS' Schedule of Pension Amounts by Employer are fairly presented, in all material respects, in conformity with auditing standards generally accepted in the United States.

The Auditor shall also conduct any required communication with the auditors of SCERS' participating employers and perform any required testing to identify differences in the member census data provided by SCERS' participating employers.

- Document the results in a written report.
- Present audit results to SCERS' Audit Committee.

3. Financial Statement Advisory Services

- Review the Annual Comprehensive Financial Report against the guidelines for the Certificate in Excellence in Financial Reporting from the Governmental Finance Officers Association (GFOA).
- Provide educational training on financial statements related topics to SCERS' audit committee and staff, as needed.
- Proactively evaluate and provide SCERS audit committee and staff with timely information on new developments, trends, or changes in the auditing and/or financial accounting standards relevant to SCERS, as needed.

4. Special Ad-hoc Auditing Services

- SCERS may ask the Auditor to perform other services not specifically provided for under this section. If such a request is made, the Auditor will submit a separate proposal for completing the engagement, along with a proposed fee schedule, as outlined in the contract or agreement SCERS reserves the right to contract for any additional audits or reviews with whomever it chooses.

The Auditor may need to coordinate with the external financial auditors of the County and SCERS' actuary to provide the County with the information and data needed for accurate and timely completion of the County's annual financial statements. The Auditor will comply fully with SAS No. 122, *Statements on Auditing Standards: Clarification and Recodification*, and AU-C section 600, *Audits of Group Financial Statements*.

III. PROJECT COORDINATION REQUIREMENTS

A. Professional Standards

The Auditor understands that promulgating bodies may revise or change professional standards, laws, regulations, and rules from time to time. The Auditor will utilize all applicable components of professional standards in auditing, preparing, and reporting on the financial statements of SCERS, including but not limited to, the following:

- U.S. Generally Accepted Auditing Standards (GAAS)
- U.S. Generally Accepted Accounting Principles (GAAP)
- Generally Accepted Government Auditing Standards (GAGAS)
- American Institute of Certified Public Accountants (AICPA) standards included in its *"2024 Employee Benefit Plans: Audit and Accounting Guide"*
- California State Controller's *"Minimum Audit Requirements and Reporting Guidelines for Public Retirement Systems"*
- Governmental Accounting Standards Board (GASB) Pronouncements

B. Work Paper Retention

All working papers and reports must be retained at the Auditor's expense for a minimum of five (5) years, unless the firm is notified in writing by SCERS of the need to extend the retention period. The Auditor will be required to make working papers available to SCERS, the County of Sacramento, or any government agencies in connection with the audit of the financial statements. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

C. Irregularities and Illegal Acts

The Auditors are required to make an immediate, written report on all irregularities and illegal acts or indications of illegal acts which they become aware of to the following parties: Audit Committee Chair; Chief Executive Officer; General Counsel, and the Chief Operations Officer.

D. Reports and Due Dates

The table below includes a list of reports SCERS believes the Auditor is required to issue at the completion of the Financial Audit and SCERS' mandatory timeframes. The Auditor will prepare all reports required by applicable professional standards and applicable federal and State laws, regulations, and rules in effect for the engagement period and meet all due dates specified by SCERS.

Report Title	Due Date TBD (approximate)
<ol style="list-style-type: none"> 1. Independent Auditor’s Report on Financial Statements – Draft (electronic submission) 2. Independent Auditor's Report re GASB Pronouncements 68 – Draft (electronic submission) 	<p style="text-align: center;">October - November</p>
<ol style="list-style-type: none"> 1. Independent Auditor Report - Financial Statements – Final 2. Required Communication to the Audit Committee Report 3. Memo to Management on Operational Processes and Internal Control Improvements 	<p style="text-align: center;">October - November</p>
<ol style="list-style-type: none"> 1. Independent Auditor's Report re GASB 68 – Final 2. Independent Auditor’s Report re Fair presentation of the schedule of changes in fiduciary net position by participating and non-participating employers 	<p style="text-align: center;">April</p>

Reports must be delivered to the Chief Operations Officer and Senior Accounting Manager. Unless otherwise specified, the Auditor shall deliver five (5) hard copies and an electronic version of each report.

E. Meetings with SCERS Staff and Boards

1. Entrance Conference

Prior to commencing fieldwork for each Financial Audit, the Auditor will attend an entrance conference (either virtually or at SCERS’ offices) with SCERS’ Project Manager, Senior Accounting Manager, and other SCERS staff. The purpose of this meeting will be to establish and discuss the following:

- The liaisons appointed by SCERS and the Auditor for the audit;
- SCERS’ critical deadlines and Auditor’s plans to ensure they are met;
- The Auditor’s critical deadlines and SCERS’ plans to ensure they are met;
- Overview, timeline, information requests, and logistics for interim and year-end work to be performed by the Auditor;
- Prior, current and/or anticipated audit issues including the implementation of new GASB Statements, auditing standards, legal or regulatory requirements;
- Arrangements for Workspace, access to electronic files, and other needs of the Auditor.

2. Weekly Status Meetings

During the time the Auditor is performing its fieldwork for each financial audit, the Auditor shall conduct bi-weekly status meetings (either virtually or at SCERS' offices) with SCERS' Project Manager, Senior Accounting Manager, and SCERS staff as necessary, to review and discuss the progress of the audit, substantive testing, and other issues pertaining to the audit work, and any potential findings.

3. Exit Conference(s)

The Auditor shall attend one or more exit conference(s) annually, as determined by SCERS, with SCERS' Project Manager, Senior Accounting Manager, and other SCERS staff to describe the audit process and review the final audit reports (listed above).

4. Presentations to Audit Committee

All presentations to SCERS' Audit Committee are expected to be performed in person at SCERS' offices.

- At the June Audit Committee meeting, the Auditor shall present to SCERS' Audit Committee the timing, planning, scope and objectives of the upcoming audit, and any other communication required per audit standards.
- At the November Audit Committee meeting, the Auditor shall present to SCERS' Audit Committee the audit process and conclusions, and findings and recommendations from each report, and any other communication required per audit standards.
- The Auditor will make additional presentations deemed necessary by SCERS to the Board of Retirement and Audit Committee.

5. Engagement Support

SCERS will prepare year-end closing entries, draft financial statements, notes, and all required supplementary schedules and statistical data. The Auditor will provide the Chief Operations Officer with all recommendations, revisions and suggestions for improvement to the financial statements by October 1st for each financial statement audit performed.

Throughout the audit engagement(s), SCERS will provide clerical assistance and support for tasks such as identifying locations of required records and documentation, obtaining listings, and other reasonable tasks that will serve to expedite completion of the Financial Audit.

IV. TENTATIVE TIMETABLE

SCERS intends to progress in this procurement in a series of orderly steps. The schedule that follows has been developed to provide adequate information for respondents to prepare definitive proposals and to permit SCERS to fully consider various factors that may affect its decision. This schedule is subject to change at the discretion of SCERS. SCERS will provide sufficient advance notice to respondents in the event of schedule changes. Key dates for this solicitation are:

Event Description	Due Date
SCERS RFP Issued	February 2, 2026
Submission – RFP Questions Deadline	February 20, 2026
SCERS Response to Written RFP Questions	February 23, 2026
Submission - RFP Response Deadline	March 4, 2026
Contact Respondents and Invitations to Interview, as Warranted	March 23-27, 2026
Final Selection and Approval	By March 31st, 2026
Contract Proceedings	April, 2026

V. REQUIREMENTS AND INSTRUCTIONS FOR RFP RESPONSE

A. Proposal Submission Guidelines

Respondents must submit an electronic copy of the written response to this RFP no later than 5:00 p.m. PST on March 4, 2026. Proposals must be submitted through the OpenGov portal at <https://procurement.opengov.com/portal/sacounty/projects/229723>. Responses received after the specified deadline may be considered for evaluation solely at the discretion of SCERS.

Respondents are required to carefully read, examine, and understand the solicitation, terms, conditions, forms and other documents, laws and rules, as noted in this RFP before submitting a proposal. The submission of the proposal shall be a warranty and representation that the respondent has made a careful examination, has read, and understands the specifications, terms and conditions of this RFP and agrees to provide and perform per same. The information submitted in response to this RFP will become the exclusive property of SCERS and will not be returned to the respondent. Each respondent shall observe the following in preparation and submission of a proposal:

Submit an electronic copy of the response through the OpenGov portal in PDF or Microsoft Word format of the original and redacted responses, if applicable. If Respondent requires any confidential information to be exempt from public disclosure, then submissions should also include one **electronic copy** marked “**REDACTED**”. The redacted copy should redact all material from the proposal that the respondent believes in good faith is exempt from disclosure under the California Public Records Act, (California Government Code section 6250 et seq. the “Act”).

Individual redactions should appear as blacked out material. Large sections, tables, or entire blank page(s) shall include the word “REDACTED” or “PROPRIETARY” inserted. Each respondent must indicate the basis for each redaction under the Act (defined below) with a citation to the code section and subsection relied upon. SCERS cannot guarantee that redacted information will not be publicly available, and SCERS reserves the right in its sole discretion to produce the entire RFP without redaction. Please see the **Section V. Legal Matters** below [“Notice to Respondents Regarding the Public Records Act AND RALPH M. BROWN ACT”](#) for further information. An electronic copy of both the original and the redacted response, each labeled accordingly.

B. Proposal Format and Content

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

1. Cover Letter

A one (1) page cover letter shall be signed by the individual(s) who is (are) authorized to bind the respondent contractually. The letter shall contain a statement to the effect that the respondent has; no conflicts of interest in performing the services outlined in this RFP, is not currently under investigation by any regulatory agency, state or federal, for any reason. This letter should summarize the services the firm will perform for SCERS, the specific team that will be working on SCERS' account, including the lead partner(s) on the team, and proposed fee structure.

2. Minimum Qualification Certification

Your firm must certify, by completing and signing the Minimum Qualifications Certification form (**Attachment A – Minimum Qualifications Certification**), that the required minimum qualifications are met. All respondents must clearly show and document in the proposal their minimum qualifications.

SCERS reserves the right to grant exceptions to the minimum qualifications with appropriate explanation and in our sole discretion.

3. Table of Contents

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

4. Questionnaires

Provide your response to the enclosed Proposal Questionnaire (**Attachment B – Proposal Questionnaire**). Excluding the requested Exhibits, your response must not exceed thirty (30) pages. Responses shall be in the prescribed format. The RFP and Attachments have been made available for review and download via SCERS' website (www.SCERS.com) under the "Requests for Proposals" section⁶ and in the OpenGov portal.

5. Attachments and Exhibits

SCERS requires that respondents complete the following attachments as part of their Independent Financial Statement Auditor RFP submission. Respondents seeking consideration as SCERS' Auditor must provide the attachments requested as Exhibits in their proposals. A list of the attachments included in the RFP package is shown below:

Attachment A	Minimum Qualifications Certification
Attachment B	Proposal Questionnaire
Attachment C	SCERS' Vendor Questionnaire Attachment
D	Proposed Statements of Work
Attachment E	Fee Schedule
Attachment F	Selection Criteria

A list of the Exhibits to be included in the proposal are shown below. Please indicate which Exhibits have been included in the proposals.

Exhibit A	Completed Minimum Qualifications
Exhibit B	Completed Proposal Questionnaire
Exhibit C	Firm's Organizational Chart
Exhibit D	Firm's Peer Review Report
Exhibit E	Firm's Certificates of Insurance
Exhibit F	SOC-2 Type 2 Report and/or SCERS' Vendor Questionnaire
Exhibit G	Incident Response Program
Exhibit H	Proposed SCERS Team and Credentials
Exhibit I	Sample Financial Audit Reports
Exhibit J	Video Links to Board Presentations
Exhibit K	Client References
Exhibit L	Proposed Fee Schedule

Please do not include additional Exhibits or Attachments in your response beyond what is requested in the Questionnaire, as they will not be considered in this evaluation.

⁶ SCERS Request for Proposals [Requests for Proposals - Sacramento County Employees' Retirement System](#)

C. RFP Development Cost

All costs and expenses associated with responding to this RFP are at the sole expense of the respondent. SCERS is not obligated to the respondents in any manner and will not reimburse or pay any cost incurred by respondent.

D. RFP 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” during which all Trustees and staff, except for a SCERS designated Point of Contact, shall refrain from communicating with respondents reviewing or otherwise participating in this RFP. The quiet period shall continue until a final selection is made and a contract between SCERS and the respondent is executed, or the process is otherwise terminated.

The quiet period does not prevent Board-approved meetings and communications by staff with any respondent to the extent such communication is necessary for the due diligence process or necessary in connection with other SCERS business. Other than due diligence, discussion related to the pending selection is not permitted. Any contact relating to the RFP with any SCERS board member, staff or consultant shall be grounds for disqualification. A list of current Trustees is located on SCERS' website.

E. Cancellation of Request for Proposal

This RFP may be cancelled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of SCERS.

F. Waiver/Cure of Minor Informalities, Errors and Omissions

SCERS reserves the right to waive or permit cure for minor informalities, errors or omissions prior to the selection of a proposal, and to conduct discussions with any qualified respondents and to take any other measures with respect to this RFP in any manner necessary to serve the best interests of SCERS and its beneficiaries. SCERS reserves the right to discuss any part of any response with respondents for the purpose of clarification. In addition, SCERS reserves the right to request additional information or clarifications from respondents, or to allow corrections of errors or omissions.

G. RFP Point of Contact

Direct all questions, inquiries, and requests for additional information concerning this RFP to Margo Allen, Chief Operations Officer no later than **3:00 PM PST, February 20, 2026** by e-mail (allenmargo@saccounty.gov). All questions received and responses thereto will be posted on the OpenGov portal on or about **3:00 PM PST, February 23, 2026**.

H. RFP Evaluation Quiet Period

Please note that during this evaluation process SCERS staff will not answer any questions related to the RFP except as set forth in the above paragraph. After February 23, 2026, if a question appears unclear to you, please state your interpretation of the question and answer it accordingly.

To ensure that prospective service providers responding to this RFP have equal access to information regarding the RFP and communications related to the RFP are consistent and accurate so that the selection process is efficient and fair, a "Quiet Period" will be in effect from the date of issuance of this RFP until the selection of one or more respondents is completed and announced. During the Quiet Period, respondents are not permitted to communicate with any SCERS staff member or Board Trustees regarding this RFP except through the point of contact named herein. Respondents violating the Quiet Period may be disqualified at SCERS' discretion. Respondents who are existing SCERS service providers must limit their communications with SCERS staff and Board Trustees to the subject of the existing services provided by them.

I. Modification or Withdrawal of Proposals

1. Modification

A written notice must be submitted via email to the RFP Point of Contact, listed above in section V.G, stating that a modification to a submitted proposal is being provided by the respondent. The notice must reference the page number and section modified by the respondent when resubmitting a response to this RFP. A proposal may not be changed after the designated deadline for submission of proposals.

SCERS may modify any part of the RFP, prior to the date fixed for final submission of responses, by issuance of an addendum which shall be posted on the OpenGov portal and on SCERS' website. All Addendum will be numbered consecutively.

2. Withdrawal

All proposals shall be firm and may not be withdrawn for a period of 90 days following the date of submission. A respondent may withdraw a proposal at any time prior to the submission deadline by submitting a written notification of withdrawal via email to the RFP Point of Contact, listed above in section V.G, that is signed by the respondent or authorized agent. Another proposal may be submitted prior to the RFP deadline.

J. Rejection of Proposals

SCERS reserves the right to reject any and all proposals and to waive informalities and minor irregularities in any proposals received. Absence of required information may render a proposal non-responsive, resulting in rejection of the proposal by SCERS. An error in the proposal may cause rejection of that proposal, though. SCERS may, in its discretion, retain and consider the proposal. SCERS may also request clarification from a respondent of any item in a proposal that SCERS believes to be in error.

The following non-exclusive list will lead to disqualification: misrepresentation or omission of facts in respondent's proposal or in any other communication from respondent in connection with this RFP, or seeking or causing intervention by third parties, where the purpose is to achieve special advantage in the award of any resulting contract.

VI. EVALUATION PROCESS

This section describes the guidelines to be used for analyzing and evaluating proposals. SCERS reserves the right to evaluate all factors deemed appropriate, whether or not such factors have been stated in this section.

An evaluation committee consisting of SCERS staff, consultants, and a member of the Audit Committee will review the RFP responses and submit their evaluation results and award recommendations to SCERS' Chief Executive Officer.

In accordance with Government Code Section 87100, SCERS' RFP evaluation committee members will not participate in the selection process if they have a relationship with any person or business entity submitting a proposal. Likewise, any respondent who has such a relationship with SCERS staff, consultants, or an Audit Committee member who may be involved in the selection process must notify the RFP Point of Contact, identified above in Section V.G and disclose the nature of the relationship and the member.

- A.** An initial screen and assessment will be conducted to both ensure that minimum qualifications are met, all required attachments have been provided, and that proposals align with the objectives of the search.
- B.** Responses that meet minimum qualifications and shall be subject to evaluation and scored on the following categories by the review committee:
 - 1. Organization Background and Quality of Proposal (20%)
 - 2. Engagement Team Experience and Credentials (25%)
 - 3. Evaluation of Approach to Performance of Required Services (40%)
 - 4. Fee Proposal (15%)

- C. RFPs will be scored according to Attachment F, *Selection Criteria*. SCERS staff may select Respondents based upon the selection criteria or using a combination of interviews, either in-person or virtually, and reference verification.
- D. The highest scoring Respondents may be invited to an interview by SCERS' Audit Committee in March 2026. At SCERS' discretion, selected Respondents may be offered the opportunity to present their materials to the Board of Retirement.
- E. A recommendation for the award will be made based on the RFP responses to SCERS' Chief Executive Officer. The Audit Committee will be informed of the intent to award.
- F. Based on the RFP evaluation committee results a final selection will be made, and the respondent will receive a Notice of Intent to Award via e-mail by March 31, 2026.

The process, procedures, and evaluation criteria used by SCERS' evaluation committee in developing and issuing this RFP and for evaluating the proposals received for the purposes of making a recommendation to the chief executive officer shall be determined in the sole discretion of SCERS. Potential respondents shall have no rights whatsoever regarding the processes and procedures used by SCERS relating to this RFP or the manner in which a respondent is selected by either the evaluation committee, chief executive officer, audit committee, or the Retirement Board, provided there is some reasonable basis for the selection(s) made.

SCERS reserves the right to conduct a background inquiry of each respondent, which may include collection of appropriate criminal history information, contractual and business associations and practices, employment histories, reputation in the business community, and financial condition. By submitting a proposal to SCERS, the respondent consents to such an inquiry and agrees to make available to SCERS any records deemed necessary to conduct the review.

VII. LEGAL MATTERS

A. Notice to Respondents Regarding the Public Records Act and Ralph M. Brown Act

Upon entering any agreement with a respondent to this RFP, or upon the hearing of a recommendation to enter into any agreement with a respondent at a public meeting, all proposals submitted shall be regarded as public records, subject to disclosure upon request. Exceptions will be those elements in each proposal, which are defined by law as business or trade secrets and otherwise exempt from disclosure under the California Public Records Act, California Government Code sections 7920.000 et seq ("CPRA") and are reasonably and conspicuously marked as "TRADE SECRETS", "CONFIDENTIAL", or "PROPRIETARY" in red ink within the proposal. SCERS shall not in any way be liable or responsible for the disclosure of any such records including, without limitations, those so marked, if disclosure is deemed to be required by law or by an order of a court of competent jurisdiction. A respondent shall defend and indemnify SCERS, including any and all costs or attorney's fees awarded against SCERS, based on SCERS' refusal to disclose those elements of the proposal marked by the respondent

with a restrictive legend. Respondents shall not mark their entire proposal as confidential. Such an attempted designation is not valid and will not be honored and will instead result in the entire proposal being treated as a non-confidential public record. Submission by a respondent constitutes a complete waiver of any claims whatsoever against SCERS, and/or its agents, officers, or employees, that SCERS has violated a vendor's right to privacy, disclosed trade secrets, or caused any damage by allowing the proposal to be inspected. All proposals submitted in response to this RFP shall become the exclusive property of SCERS and shall be subject to public disclosure pursuant to the CPRA. The CPRA generally provides 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. In addition, if a respondent is recommended for consideration by SCERS' Audit Committee or its Retirement Board, such recommendations and the relevant proposal(s) will be identified on a publicly posted agenda, pursuant to the Ralph M. Brown Act which governs open meetings for local government bodies (Cal. Gov. Code section 54950 et seq.)

As referenced above, if a respondent believes that any portion of its proposal is exempt from public disclosure under the CPRA, such portion may be marked "CONFIDENTIAL" Proposals may not be marked "CONFIDENTIAL" in their entirety, and SCERS will not deny public disclosure of proposals so marked. SCERS will review the portions marked CONFIDENTIAL and determine whether the material is exempt from disclosure under the Act. By submitting a proposal with portions marked CONFIDENTIAL, respondent represents it has a good faith belief that such material is exempt from disclosure under the CPRA. If SCERS denies public disclosure of the portions marked CONFIDENTIAL, respondent agrees to reimburse SCERS for, and to indemnify, defend and hold harmless SCERS, its officers, fiduciaries, employees and agents from and against: (a) 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 or relating to SCERS' non-disclosure of any such designated portions of a proposal; and (b) any and all Claims arising from or relating to SCERS' public disclosure of any such designated portions of a proposal if disclosure is deemed required by law or by court order. If SCERS does not believe the portions marked CONFIDENTIAL are exempt from disclosure under the CPRA, SCERS will provide respondent with notice so that respondent can file any necessary motion for a protective order. Respondents are advised that SCERS does not wish to receive confidential or proprietary information, and that respondents are not to supply such information except when it is absolutely necessary. If any information or materials in any proposal submitted are labeled confidential or proprietary, the proposal shall include the following clause:

“(legal name of respondent) shall indemnify, defend and hold harmless the Sacramento County Employees' Retirement System, its officers, agents and employees from and against any request, action or proceeding of any nature and any damages or liability of any nature, specifically including attorneys' fees

awarded under the California Public Records Act (Government Code §7920.000 et seq.) arising out of, concerning or in any way involving any materials or information in this Proposal that (legal name of respondent) has labeled as confidential, proprietary or otherwise not subject to disclosure as a public record”.

Submission by a respondent constitutes a complete waiver of any claims whatsoever against SCERS, and/or its agents, officers or employees that SCERS has violated a respondent's right to privacy, disclosed trade secrets or caused any damage by allowing the proposal to be inspected. Nothing in this RFP requires SCERS to withhold any documents from production under the CPRA.

B. Notice to Respondents Regarding Protecting SCERS' Data

SCERS, its consultants, vendors, and contractors have a duty to protect all SCERS data, including without limitation, information related to members and beneficiaries, finances, systems, and operations. The finalist selected through this procurement will have access to sensitive information protected by SCERS' internal policies, State, and Federal law.

By submitting a proposal, the respondent agrees to subject itself to certain contractual terms designed to protect such information, including without limitation

- Cyber liability insurance,
- Systems and Organizations Controls 2 (SOC-2) reports (or, in the alternative, a Vendor Questionnaire as per **Attachment C – SCERS' Vendor Questionnaire**) – used when vendor might have access to or use of SCERS systems or information,
- Health Insurance Portability and Accountability Act (HIPAA) Business Associate agreements – used when vendor has access to member personal health information.

Respondents shall inform SCERS in their response if they have any limitations on agreeing to such terms. Respondents that do not make reservations shall lose their right to do so at the contracting phase.

VIII. RESPONSES BECOME SCERS PROPERTY

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

IX. CONTRACT NEGOTIATIONS

The parties will engage in good faith negotiations to arrive at a written agreement for services that will incorporate this RFP and the vendor's proposal by reference. SCERS reserves the right to terminate any negotiations with the selected respondent, or any subsequently ranked respondent in its discretion, in the event of protracted negotiations beyond the time contemplated by the

schedule in Section IV, above.

SCERS reserves the right to conduct a background inquiry of each respondent, which may include collection of appropriate criminal history information, contractual and business associations and practices, employment histories, reputation in the business community, and financial condition. By submitting a proposal to SCERS, the respondent consents to such an inquiry and agrees to make available to SCERS any records deemed necessary to conduct the review.

Upon approval of the Chief Executive Officer and the Audit Committee, SCERS will enter contract negotiations with the approved Respondent(s) or clarification of the proposal. SCERS may end negotiations, at its sole discretion, if it believes a satisfactory agreement cannot be negotiated with the preferred respondent. SCERS may, at its sole discretion, proceed to negotiations with the next highest-ranked respondent until an agreement is successfully completed. SCERS 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.

At SCERS' discretion the term of the contract entered under this RFP may be for an initial period of five (5) years, beginning from the date of final execution. There may be an additional five (5) one-year extensions under the same terms and conditions at SCERS' option. All contracts may be terminated at SCERS' convenience at any time.

X. RESERVATIONS BY SCERS

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

- Cancel or modify this RFP, in whole or in part, at any time.
- Make such investigation as it deems necessary to determine the respondent's ability to furnish the required services, and the respondent agrees to furnish all such information for this purpose as SCERS may request.
- Reject the proposal of any respondent who has failed to comply with the requirements of this RFP, or who is not currently in a position to perform the contract, or who has previously failed to perform similar contracts properly, or in a timely manner or for any other reason in SCERS' sole discretion.
- Waive irregularities to negotiate in any manner necessary to best serve the public interest, and to make a whole award, multiple awards, a partial award, or no award.
- Award a contract, if at all, to the firm which will provide the best match to the requirements of the RFP and the service needs of SCERS in SCERS' sole discretion, which may not be the proposal offering the lowest fees or achieving the highest score.
- Request additional documentation or information from respondents. Requested information may vary by respondent. SCERS may ask questions of any respondent to seek

clarification of a proposal or to ensure the respondent understands the scope of the work or other terms of the RFP.

- This RFP does not commit SCERS to proceed with any engagement for the audit services described herein, to pay any costs incurred in the preparation of a response, or to procure or contract for any such services at any time. SCERS expressly reserves the right to accept or reject any responses received as a result of this solicitation or to cancel this solicitation in part or in its entirety.
- The right to choose not to enter into an agreement with any of the respondents to this RFP or negotiate for the services described in this RFP with a party that did not submit a proposal.
- Determine the extent, without limitation, to which the services of a successful respondent are or are not actually utilized.
- Defer selection of a winning bidder to a time of SCERS' choosing.
- Consider information about a respondent in addition to the information submitted in the response or interview.