

# Request for Proposal

For Services of a Controller, Accounting Services  
and/or Audit Services for the

Missouri Property and Casualty Insurance Guaranty  
Association (MIGA) and  
Missouri Life and Health Insurance Guaranty Association  
(MLHIGA)

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Inquiries and Proposals should be directed to

Tamara Kopp  
Executive Director  
[tkopp@moiga.org](mailto:tkopp@moiga.org)  
573-634-8455 extension 103

**Proposals are due by June 30, 2024.**

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## **General Information**

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The Missouri Property and Casualty Insurance Guaranty Association (MIGA) and Missouri Life and Health Insurance Guaranty Association (MLHIGA) are private associations created by Missouri statute to provide protection, within limits, to insureds, beneficiaries, and claimants who are disadvantaged due to the insolvency of a member insurance company.

There are two insurance guaranty associations in Missouri. They are jointly administered from one office. However, they have separate and distinct responsibilities under their respective statutes. One association is responsible for insurance company insolvencies among the member [life and health](#) insurance companies, and the other association is responsible for insolvencies occurring among the member [property and casualty](#) insurance companies. Presentations describing accounting and finance for guaranty associations are available upon request.

The Associations are not state entities and therefore state mandated bid rules do not apply. Information concerning these organizations may be found at <http://www.moiga.org/> . Contact detail for additional information is reflected above.

## **Services Requested**

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The purpose of this RFP is to obtain audit services from CPA firms for both Associations. In addition, the Associations are seeking to obtain an individual or CPA firm to serve as controller and assume accounting and finance responsibilities for both Associations. The controller will serve as financial and accounting advisor to both Associations and their Boards of Directors. Applicants are encouraged to apply for one or both opportunities.

## **Audit Services**

The applicant's proposal is expected to cover the services associated with the annual audit to be completed in compliance with reporting requirements and meetings with the Boards of Directors, as necessary. The Associations current audit reports can be viewed as part of each Association's annual report at <http://www.moiga.org/>.

Audit services include the following duties:

- Audits of financial statements for both Associations.
- Ability to consult with Associations on proper accounting treatment.

### **Minimum Standards**

1. Must be in good standing with the Missouri Board of Accountancy.
2. Must be a Certified Public Accountant.
3. The auditor must maintain appropriate state licensing requirements.
4. The auditor must maintain applicable independence requirements.
5. The auditor must maintain compliance with applicable peer review and continuing professional education (CPE) requirements.

In responding to this request, please submit the following information:

1. Detail your firm's experience in providing auditing to companies in the not-for-profit sector, as well as organizations of a comparable size to the Associations.
2. Provide information on whether you provide audit or non-audit services to any related industry associations or groups (state guaranty associations, state guaranty funds, or a state insurance regulator).
3. Discuss the firm's independence with respect to the Associations.
4. Summarize your local office's operations (staffing, history, etc.). Discuss commitments you will make to staff continuity, including your staff turnover experience in the last three years.
5. Identify the partner, manager, and in-charge accountant who will be assigned to our audit if we accept your bid and provide biographies, if available.
6. Describe how your firm will approach the audit of the organization, including the use of any association or affiliate member firm personnel and the areas that will receive primary emphasis. Also discuss the firm's use of technology in the audit. And finally, address the communication process used by the firm to discuss issues with the management and audit committees of each Board.
7. Set forth your fee proposal for the 2024 audit, with whatever guarantees can be given regarding increases in future years.
8. Furnish standard billing rates for classes of professional personnel.
9. Provide the names and contact information for other, similarly sized clients of the partner and manager that will be assigned to our organization for reference purposes.

Applicants agree that neither they nor their employees currently have, nor will they have, any conflict of interest between themselves, their clients and the Associations. Any perceived or potential conflict of interest must be disclosed in the proposal.

## **Controller Services**

The applicant's proposal is expected to cover the services associated with the accounting and finance operations of the associations and meetings with the Boards of Directors, as necessary. The Associations current annual reports can be viewed at <http://www.moiga.org/>.

Controller services include, but are not limited to, the following:

1. Organize, process, and where appropriate, pay invoices.
2. Use Sage accounting software.
3. Prepare financial statements in prescribed format.
4. Prepare final trial balances for each fund.
5. Make adjusting journal entries required for financial statements.
6. Provide general oversight of financial record-keeping and reporting functions.
7. Develop, coordinate, and implement the Associations' financial operations.
8. Analyze and present financial statements, statistical reports, and budget documents.

9. Consult with management for interpretation of financial data.
10. Advise the Executive Director and board chairs on questions relating to financial activities.
11. Determine proper accounting treatment for complex transactions.
12. Review and analyze financial statements and prepare annual budget for review by Executive Director.
13. Make reserve entries and adjust IBNR generally at the direction of actuary.
14. Identify financial risks and opportunities.
15. Prepare 1099s.
16. Prepare and file IRS 990 annually.

#### Minimum Controller Standards

1. Strong working knowledge of claim loss and expense reserving and actuarial theory, reinsurance, and insurance accounting and finance;.
2. Experience or understanding of insurance rehabilitation and liquidation processes.
3. Strong financial and accounting background including understanding of balance sheet, income statement, general finance, and budgeting. Well developed financial analysis skills.

In responding to this request, please submit the following information:

1. Detail your firm's experience in providing accounting and controller services to companies in the not-for-profit sector, as well as organizations of a comparable size to the Associations.
2. Provide information on whether you provide accounting services to any related industry associations or groups (state guaranty associations, state guaranty funds, or a state insurance regulator).
3. Identify the partner and accountant who will be assigned as controller if we accept your bid and provide biographies, if available.
4. Describe how your firm will approach controller and accounting services and discuss the communication process used by the firm to address accounting issues with the Executive Director and board chairs.
5. Furnish standard billing rates for classes of professional personnel.
6. Provide the names and contact information for other, similarly sized clients of the partner and manager that will be assigned to our organization for reference purposes.
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#### **Final Information**

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The successful applicant must carry professional malpractice insurance coverage of at least \$5 million. The selected individual or firm will report to and be managed by the Executive Director and board chairs from each association.

The award of a contract for controller and/or audit services is for a five-year term with an option for the Associations to extend the services.

No specific form is required to submit a response to this RFP. The response should include the qualifications and experience of the individual and firm presented. Experience with insurance receiverships, guaranty associations, or insurance in general should be highlighted. Any appropriate references would be helpful in the review of the response.