

The Florida Life and Health Insurance Guaranty Association (FLAHIGA) is accepting proposals from CPA firms to provide audit services for our organization for 2022 - 2026. We invite your firm to submit a proposal to us for our consideration. A description of our organization, the services needed, and other pertinent information follows:

### **Background of FLAHIGA**

FLAHIGA is an organization statutorily created under Florida Statutes Chapter 631 Part III. FLAHIGA's members are insurance companies with certificates of authority to sell life, annuity, and health insurance policies in Florida. FLAHIGA acts on behalf of its member insurers to protect Florida resident policyholders against the failure in the performance of contractual obligations under life, annuity, and health insurance policies because of the impairment or insolvency of a member insurer that issued the policies or contracts. FLAHIGA is a member of the National Life and Health Insurance Guaranty Associations (NOLHGA), which coordinates the handling of multi-state impairments or insolvencies for its member guaranty associations.

Annual operating revenue, primarily derived from member assessments, distributions from insolvent members insurer's estates, and investment income, can range from \$5 million to over \$100 million per year. FLAHIGA incurs various costs and expenses annually, including:

- Policyholder benefit claims paid on behalf of insolvent member insurers;
- Legal and professional fees;
- General and administrative fees and expenses; and
- Other insolvency-related costs.

FLAHIGA, located in Tallahassee, has a December 31 fiscal year-end, and its audit report is due by April 1. We are converting from a GAAP basis to Cash basis financial statement in 2022. The audited financial statements are included in FLAHIGA's Annual Report, which is issued to the Florida Department of Financial Services by May 1. To facilitate this process, the firm selected will regularly communicate with the FLAHIGA Audit Committee. Additionally, the firm will be required to sign a statement that: a) they have received and have read the Code of Ethics / Conflicts of Interest section of the FLAHIGA Plan of Operation, and b) they have not knowingly violated the requirements and restrictions therein.

### **Services to Be Performed**

The association requires an expression of an opinion about whether our financial statements present fairly, in all material respects, the cash receipts and disbursements of FLAHIGA.

### **Key Personnel**

The following are key contacts for the information you may seek in preparing your proposal:

Michelle Robleto	Executive Director	(850) 523-1870	michelle@flahiga.org
Brad Taman	Deputy Treasurer	(919) 833-6838	brad@flahiga.org

You should coordinate requests for additional information through Mr. Taman. You may reach him at the number listed above. Please email the completed proposal to [brad@flahiga.org](mailto:brad@flahiga.org).

### **Your Responses to This Request for Proposal**

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 comparable size to FLAHIGA.
2. Provide information on whether you provide services to related industry associations or groups.
3. Discuss the firm's independence concerning FLAHIGA.
4. Discuss your commitments to staff continuity, including your staff turnover experienced in the last three years.
5. Identify the staff assigned to our audit if we accept your bid and provide biographies if available.
6. Describe how your firm will approach the organization's audit, 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, discuss the communication process used by the firm to discuss issues with the management and audit committees of the board.
7. Set forth your fee proposal for the fiscal year December 31, 2022 audit, with whatever guarantees can be given regarding increases in the next four years.
8. Furnish standard billing rates for classes of professional personnel.
9. Please provide the names and contact information for other similarly sized clients of the partner and manager assigned to our organization for reference purposes.
10. Describe how and why your firm is different from other firms being considered and why our selection of your firm as our independent accountants is the best decision we could make.
11. Include a copy of your firm's most recent peer review report, the related letter of comments, and the firm's response to the letter of comments.

### **Evaluation of Proposals**

FLAHIGA will evaluate proposals on a qualitative basis. This includes our review of the firm's peer review report and related materials, interviews with senior engagement personnel to be assigned to our organization, results of discussions with other clients, and the firm's completeness and timeliness in its response to us.

Please submit your response to this request for proposal by 5:00 pm, EST, on Thursday, October 13, 2022.

Florida Life and Health Insurance Guaranty Association 2021 Annual Report: [FLAHIGA2021AnnualReport](#)