



**COLORADO INTERGOVERNMENTAL RISK SHARING AGENCY
(CIRSA)**

REQUEST FOR PROPOSAL

ANNUAL FINANCIAL AUDIT

CIRSA
REQUEST FOR PROPOSAL

DATE ISSUED: May 18, 2007

The Colorado Intergovernmental Risk Sharing Agency (CIRSA) will be accepting sealed proposals in its offices until 5:00 PM, June 29, 2007 from qualified certified public accounting firms interested in performing CIRSA's annual financial audit.

Proposals may be mailed, faxed or emailed to:

Mail: Patrick Priest, Chief Financial Officer
CIRSA
3665 Cherry Creek North Drive
Denver, CO 80209

Fax: (303) 757-8950

Email: Patrick@CIRSA.org

CIRSA reserves the right to reject any and all proposals, to waive any informalities or irregularities, and to make the selection among the proposals as are deemed in the best interest of CIRSA. CIRSA is not liable for any costs incurred to prepare or present a response to this Request for Proposal (RFP).

CIRSA REQUEST FOR PROPOSAL

GENERAL INFORMATION

CIRSA is requesting proposals from qualified and interested certified public accounting firms to perform CIRSA's annual audit.

CIRSA is a public entity self-insurance pool formed in 1982 pursuant to C.R.S. §24-10-115.5, §29-13-102, and §8-44-204. CIRSA currently has 235 members. There is a seven-member Board of Directors composed of municipal officials elected by CIRSA's municipal members.

For the year ended December 31, 2006, revenues are \$25 million. As of December 31, 2006, net assets are \$27 million. A copy of CIRSA's Basic Financial Statements as of December 31, 2006 and 2005 is attached.

CIRSA provides property/casualty (PC) and workers' compensation (WC) coverage and related services for its members, all of which are public entities (primarily municipalities) in the State of Colorado. The PC coverage includes property, general and auto liability, public officials' errors and omissions, and law enforcement liability; CIRSA relies on the governmental immunity laws in determining liability coverage for its members. WC coverage is provided to statutory limits in accordance with the Colorado workers' compensation laws.

CIRSA holds a certificate of authority from and is regulated by the Colorado Division of Insurance (DOI). DOI regulation 2-2-1 concerning public entity self insurance pools provides filing requirements.

CIRSA provides an essential governmental function to its members as described in Section 115 of the Internal Revenue Code and is exempt from federal and state income taxes. CIRSA also is exempt from state/local sales, use, and property taxes.

CIRSA's prepares financial statements in accordance with generally accepted accounting principles. CIRSA also prepares statutory financial statements using accounting practices prescribed or permitted by the Colorado Division of Insurance.

CIRSA has an internal investment policy and is subject to Colorado laws concerning legal investments of public entities, including C.R.S. §24-75-601 et seq., and Colorado laws and regulations concerning public entity self-insurance pools.

Members' rates are supported by an annual independent actuarial projection. Additionally, a qualified independent actuary will perform an annual review of CIRSA's loss and loss adjustment expense reserves, as of December 31, to support our annual financial statements.

Additional information regarding CIRSA can be found on our website, www.cirsa.org.

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GENERAL PROPOSAL REQUIREMENTS

It is requested that proposals be prepared in a comprehensive manner as to content. Although permissible, there is no necessity for expensive binders, color displays or other promotional material. The proposal should be prepared in a format that will permit ready identification of your response to each component of this RFP.

The proposal must be signed by the duly authorized partner or officer who will have overall responsibility for work under the proposal.

No proposal will be accepted from any firm in arrears upon any obligation to CIRSA.

All pricing structures must be firm for 90 (days) beginning the next business day after the proposals are opened. CIRSA is not responsible for any costs incurred in the preparations and presentation of your proposal.

The selected bidder will be expected to enter into a contract or engagement letter with CIRSA in a form acceptable to CIRSA. CIRSA will be requesting that the term be for one year with three one year renewals, at CIRSA's option.

SCOPE OF WORK AND QUALIFICATIONS

In addition to complying with the General Proposal Requirements detailed above, your proposal must provide responses to each item outlined in this section. Proposals must also indicate willingness and ability to meet each of the requirements and qualifications. Any deviation or omission may constitute sufficient cause for rejection of the proposal.

1. Provide background information on your firm, including the firm size, how long it has been in business and the types and sizes of accounts and services.
2. Describe your firm's experience in providing financial auditing services. Insurance industry or governmental client experience should be highlighted with emphasis on any experience with public entity self-insurance pools in Colorado or elsewhere.
3. Indicate whether your firm is appropriately registered and/or approved with regulatory authorities. When was your last peer review? Please provide a summary of the results?
4. CIRSA will check references provided by you. Provide the company name, contact person and phone number of at least two companies for whom you provide services. Preference is for insurance and/or governmental entities. Describe the services provided for each such entity or company.

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5. Provide at least two other references, in the same format, consisting of clients for which you have provided similar services in the past, but for which you are no longer providing those services.
6. Attach a copy of the resumes of qualifications of all employees of your firm that you anticipate would participate in providing services to CIRSA. Indicate who the principal staff would be and the percentage of involvement of all other staff. Describe each employee's position in the firm, their professional designations and detail their experience public entity pools, or other similar insurance or governmental entities.
7. Disclose whether your firm or any individuals assigned to provide services to CIRSA have any conflicts of interest with CIRSA, or any Board members or employees of CIRSA and, if so, the nature of the conflict.
8. Explain your understanding of the audit work to be done.
 - a. Submit a work plan. Include general descriptions of the work to be done, time estimates for each significant segment of the work to be done, and the staff level to be assigned. Name individual staff members.
 - b. The audit firm shall produce two separate audit reports, one on a GAAP basis and the other on a statutory accounting basis, for CIRSA. Related letters and other correspondence, such as a letter on recommendations to management, should also be addressed in your proposal.
 - c. State that the examination will be made in accordance with generally accepted auditing standards.
 - d. State that the primary purpose of the examination is to express an opinion on the financial statements.
9. The timing of the audit work should be driven by the deadline for the completion and delivery of the bound reports. Indicate whether your firm can meet a completion/delivery deadline of April 15.
10. It is anticipated that audit work will be performed no earlier than late February and completed prior to the end of March. Indicate whether your firm can perform the work during that time period.
11. Quote an all-inclusive fee for the audit work to be performed in 2008. Provide estimates of renewals for the next three years, 2009 through 2011.

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PROPOSAL EVALUATION

The initial evaluation will be based upon the responses to this RFP. Price alone will not necessarily be determinative. CIRSA reserves the right to make a selection based directly on the proposals or to negotiate further with any responder.

The tentative schedule for consideration of responses to this RFP is as follows:

Issue Date:	May 18, 2007
Due Date:	June 29, 2007
Interviews:	August 9, 2007 (if deemed necessary)
Selection:	August 15, 2007 (if interviews are conducted, otherwise July 12)

The Board will make the final decision concerning the proposal to be selected.