



Maryland Automobile Insurance Fund
1215 E Fort Ave
Ste 400
Baltimore, MD 21230

Request for Proposal

Independent Audit Services
2025



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Introduction:

The Maryland Automobile Insurance Fund (Maryland Auto) is an independent state agency created by the legislature of Maryland in 1972 and commenced operations on January 1, 1973.

Maryland Auto Insurance consists of two divisions. The Insured Division provides insurance coverage to Maryland residents who are unable to obtain it from private insurance carriers. The Uninsured Division has two roles. First, it provides financial protection to Maryland residents who are innocent victims of traffic accidents involving motor vehicle negligence and cannot obtain recovery from any other source. Second, it is responsible for activities related to reducing the rate of uninsured motorists in the State.

Maryland Auto invites offerors to submit proposals in conformance with the following specifications:

Part I - General Information

- A. Purpose:** Maryland Auto is soliciting proposals from qualified firms for the purpose of conducting independent audits of its Insured and Uninsured Divisions for the fiscal periods ending December 31, 2025, December 31, 2026, December 31, 2027, December 31, 2028, and December 31, 2029.

The Insured Division's admitted assets and net earned premium as of and for the year ended December 31, 2024, were \$167,300,000 and \$122,700,000, respectively. The Uninsured Division's total assets and revenue as of and for the year ended December 31, 2024 were \$9,500,000 and \$8,500,000, respectively.

- B. Minority Business:** Minority business enterprises are encouraged to respond to this solicitation.

C. Contract Administration and Issuing Office:

Issuing Office
Maryland Automobile Insurance Fund
1215 E Fort Ave
Ste 400
Baltimore, MD 21230



Contract Administration:
Mr. Paul Deter, CFO

- D. Closing Date:** Responses to this request for proposal must be received by MAIF no later than June 6, 2025, at 5:00 pm EST.
- E. Questions:** Please submit all questions related to this Request for Proposal to Responses@marylandauto.net. On a weekly basis, Maryland Auto will post answers to all questions offerors ask related to this Request for Proposal on eMaryland Marketplace and the Maryland Auto website <https://www.mymarylandauto.com/site/>. The deadline for all questions shall be at 5:00pm EST on May 7, May 14, May 21, and May 28. Answers will be posted on Fridays following the deadlines above.

Part II – Scope of Services

- A. Financial Statements Period - Audits of Maryland Auto's Insured and Uninsured Division annual financial statements are to be conducted for the fiscal periods ending December 31, 2025, December 31, 2026, December 31, 2027, December 31, 2028, and December 31, 2029.
- B. Basis of Accounting – The Insured Division financial statements are prepared on the statutory basis of accounting in accordance with the National Association of Insurance Commissioners (NAIC) "Accounting Practices and Procedures Manual." The Uninsured Division financial statements are prepared in accordance with generally accepted accounting principles (US GAAP).
- C. Assistance to be provided by Maryland Auto:
1. Fiscal Department and Administrative Assistance – The Fiscal department staff will provide reasonable and customary assistance. Responsible management personnel will be available during the audit to assist the firm by providing information, documentation, and explanations.
 2. Information Systems Assistance - The Information Technology Department will be available to provide systems documentation and explanations.
 3. Internal Audit Assistance - Internal Audit staff will provide reasonable and customary assistance.
- D. Work Environment / Location – Remote, within the United States.



Part III – Submission

All submissions must provide clear, direct and comprehensive responses to the following questionnaire. Do not deviate from the order or format of the questions. Provide only those attachments which you note in your response. Maryland Auto will not review any other attachments.

Submissions must adhere to the following format and be submitted in accordance with the proposal date specified in Part I. Maryland Auto will not grant requests for extensions. Maryland Auto will not consider any late requests for modification or withdrawal.

You may submit your response either by email or in hard copy printed form. **Please do not submit electronic responses through eMaryland Marketplace. Instead, please email your responses to Responses@marylandauto.net.** Responses by email must contain the phrase “Independent Audit Services” in the subject line. If you submit the proposal in printed format, please include three (3) copies. You must place your printed proposals in a sealed envelope and the outside of the envelope must clearly indicate that it contains a PROPOSAL.

Address to send printed proposals to:

Ms. Praise Oni, Internal Auditor
Maryland Automobile Insurance Fund
1215 E. Fort Avenue, Suite 400
Baltimore, MD 21230

Please respond to each of the following, as applicable:

1. Company Background

- Company Name
- Company Address
- Years in business
- Contact name, phone number, and e-mail
- Parent company name and address
- Most recent financial report available

2. Samples of Work: This section must include descriptive information indicating how each firm and/or business entity has participated in providing services like those requested in this RFP. Further, please note in this section prior experience with clients in the insurance industry, specifically property and casualty.



3. **References:** Please provide three references, listing company name and address, contact name, phone, and e-mail for each company, and a brief description of the services you provided.
4. **Peer Review:** Provide a copy of the firm's most recent peer review report.
5. **Market differentiators:** Identify for Maryland Auto why your company is the vendor we should select for this engagement and identify how your company differentiates itself from your competitors.
6. **Pricing:** Include all pricing information for a 5-year contract. Cost must be clearly stated and subtotaled by phase (interim fieldwork versus year-end fieldwork). Total price must contain all direct and indirect costs, including out-of-pocket expenses, bank confirmations, etc.

Evaluation Criteria:

Submissions will be evaluated based on, but not limited to, the following general criteria:

- Price/cost of service
- Relevant industry experience
- Quality (based on examples)
- References
- Peer review results
- Stability of company

Part IV – Terms of the Contract

- A. The Offeror whose proposal is accepted ("Contractor") hereunder shall enter into agreements embodying the terms hereof and such other terms as are required by law and the winning RFP (the "Contract").
- B. Notwithstanding any other provisions of this RFP or in the attached exhibits to the contrary, each Contract will include the following general provisions.
 1. Conflict - To the extent any provisions conflict with the provisions of this Agreement, the parties expressly acknowledge that these Additional Contract Provisions are controlling.
 2. Integration: Contract Modification – This Contract constitutes the entire agreement between the parties and supersedes all communications between



them prior to the execution of this Contract, whether written or oral, with reference to the subject matter of this Contract. This Contract shall not be modified except by a written instrument executed by both parties.

3. Non-hiring of Maryland Auto Employees - No employee of Maryland Auto whose duties as such employees include matters relating to or affecting the subject matter of the Contract, shall, become or be an employee of the party or parties hereby contracting with Maryland Auto.
4. Maryland Law Governs - This Contract shall be interpreted and enforced according to the Laws of the State of Maryland.
5. Nondiscrimination - Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or any other characteristic forbidden as a basis for discrimination by applicable laws.
6. Contingent Fee Prohibition – Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee or agent working for Contractor, to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee or agent, any fee or other consideration contingent on the making of this Contract. For breach or violation of this warranty, Maryland Auto may terminate this Contract without liability or deduct from the Contract price or consideration or otherwise recover the full amount of such fees, commission, percentage, brokerage fee, gift or contingent fee.
7. Termination -
 - a. Termination for Default - If Contractor fails to fulfill its obligations under this Contract properly and on time, or otherwise violates any provision of this Contract, Maryland Auto may terminate this Contract by written notice to Contractor. The notice shall specify the act or omission relied on as cause for termination. All finished or unfinished work products provided by Contractor shall, at Maryland Auto's option, become the property of Maryland Auto. Maryland Auto shall pay Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by Contractor's breach. If the damages are more than the compensation



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payable to Contractor then Contractor will remain liable after termination, and Maryland Auto can affirmatively collect damages.

- b. Termination of Contract for Convenience - This Contract may be terminated by Maryland Auto, in whole or in part, whenever Maryland Auto determines that termination is in the best interest of Maryland Auto. In the event of such termination for convenience, Maryland Auto shall pay all reasonable costs associated with this Contract that Contractor has incurred up to the date of termination and all reasonable costs associated with termination of the Contract. However, Contractor shall not be reimbursed for any anticipatory profits that have not been earned as of the date of termination.
 - c. Termination by Notice - In addition to any other termination provision of the Contract, both the Contractor and Maryland Auto may terminate the Contract upon 30-days written notice by certified mail to the principal office of the other.
8. Record Keeping - The Contractor shall maintain and retain all records and other documents relating to this Contract for a period of three (3) years from the date of final payment under the Contract and will make the documents available for inspection and audit to such persons and officials as may be authorized by Maryland Auto from time to time.
9. Legal; Severability - In the event that any part or portion of this Contract shall be deemed void, voidable, unenforceable, or contrary to applicable statutory, or regulatory law, or shall have been omitted contrary to the requirements of such law, by appropriate judicial or regulatory authority, then all other provisions hereof shall be unaffected thereby and shall remain in full force and effect. In such an event, if one party requests the other party, both parties shall endeavor to agree to: a) such substitute language to the Contract as shall best evidence their original intent hereunder if there is no material harm thereby caused to the other party; and b) such new language as shall best comply with all applicable requirements of law.
10. Assignment - This agreement shall not be assigned by either contracting party without the prior written consent of the other party.
11. Indemnification - Maryland Auto shall not assume any obligation to indemnify, hold harmless, or pay attorney's fees that may arise from or in any way be associated with the performance or operation of this Agreement.



12. Maryland's Public Information Act - This Agreement is subject to the Maryland Public Information Act, General Provisions Article, Sections 4-101 to 601 of the Annotated Code of Maryland.

VENDOR

By: _____

Name: _____

Title: _____

Date: _____

MARYLAND AUTOMOBILE INSURANCE FUND

By: _____

Name: Al Redmer, Jr.

Title: Executive Director

Date: _____

Approved as to form and legal sufficiency

By: _____

Counsel

Maryland Automobile Insurance Fund