**Request for Proposal**

Annual Audit Services

Village of Port Clements, Village of Masset, Haida Gwaii Society for Community Peace

January 19, 2016

**TABLE OF CONTENTS**

**1. Introduction………………………...……………………………………….. 3**

1.1 Background…………………………………………………………….. 3

**2. Terms and Conditions..………………………………….………………….. 3**

2.1 Selection Criteria……………………………………………………….. 4

2.1.1 Mandatory Criteria……….………………………………………. 4

2.1.2 Desirable Criteria……….………….…………………………….. 4

2.2 RFP Timeframe.………………………………………………………... 4

2.3 General Conditions……………………………………………………... 4

2.4 Signature and Seal…..………………………………………………….. 5

2.5 Preparation Costs…..…………………………………………………... 5

2.6 Termination of Services………………………………………………... 5

**3. Project Scope………....………………………………….………………….. 5**

3.1 General………………………………………………………………….. 5

3.2 Range of Services………..……………………………………………... 5

**4. The Proposal.…………....……………………………….………………….. 6**

4.1 General………………………………………………………………….. 6

4.2 Cost and Time Estimates………..………………….…………………... 7

4.3 Acknowledgement and Understanding…………………………………. 7

4.4 Acceptance of Proposal and Award of Contract………………………. 7

**5. Appendix A: 2014 Audited Financial Statements ….……………….………8**

**6. Appendix B: 2015 – 2019 Financial Plan Bylaw....……….……….………...9**

**7. Appendix C: Desirable Criteria……….………………………….…............10**

**1. INTRODUCTION**

The Village of Port Clements, the Village of Masset and the Haida Gwaii Society for Community Peace, all located on the north end of Graham Island on Haida Gwaii, are seeking proposals from interested parties for the provision of the annual audit services for the fiscal years 2015-2017 inclusive. Subject to satisfactory performance of the services by the successful firm, the term may be extended, if mutually agreeable, for an additional two (2) year period. The Village of Port Clements is taking lead on this joint endeavor.

This Request for Proposal (RFP) outlines the basic requirements of the Villages for the services to be provided by the firm, herein referred to as the Firm. For details about the audit requirements for the Haida Gwaii Society for Community Peace please contact Administrator Brenda Byberg at 250-626-4664 or email [hgspeace@mhtv.ca](mailto:hgspeace@mhtv.ca).

**While each organization retains the right to make independent decisions on this issue, we will be liaisoning in an attempt to provide the best solution for all of our organizations due to our shared geographic remoteness and the costs associated with travel.**

**1.1 Background**

The Villages of Port Clements and Masset are governed by a 5 member council. The municipalities’ revenues consist largely of taxes from its residents and businesses, user fees, fees for services and government transfers and airport fees for the Village of Masset.

To assist in the preparation of the proposal, the following additional information is provided:

* Village of Port Clements 2014 Annual Financial Statements (Appendix A)
* Village of Masset 2014 Annual Financial Statements (Appendix A)
* Haida Gwaii Society for Community Peace 2014 Financial Statement (Appendix A)
* Village of Port Clements 2015 – 2019 Financial Plan Bylaw (Appendix B)
* Village of Masset 2015-2019 Financial Plan Bylaw (Appendix B)

**2. TERMS AND CONDITIONS**

All submissions related to this RFP are to be directed to the following person. Inquiries and responses will be recorded and may be distributed to all Firms.

Kim Mushynsky

Chief Administrative Officer

Village of Port Clements, PO Box 198

Port Clements BC VOT 1R0

(250) 557-4295

cao@portclements.ca

Fax (250) 557-4568

**2.1 Selection Criteria**

*2.1.1 Mandatory Criteria*

* Organizations must provide a proposal signed by a person authorized to sign on behalf of the Firm
* The proposal must be received by Friday, January 29, 2016 at 2:00 PM Pacific Standard Time
* Signed electronic copies in PDF format will be accepted
* Signed proposals sent by facsimile will be accepted
* Proposals should be clearly marked with the name of the Firm
* It is the Firm’s sole responsibility to ensure their submission is received when, where and how it is specified in the RFP. The Village is not responsible for lost, misplaced or incorrectly delivered submissions

*2.1.2 Desirable Criteria*

Proposals meeting all of the mandatory criteria will be further assessed against desirable criteria. The desirable criteria are outlined in Appendix D: Desirable Criteria

**2.2 RFP Timeframe**

The following timetable outlines the anticipated schedule for the RFP process. The timing and the sequence of events resulting from this RFP may vary and shall ultimately be determined by the Village.

|  |  |
| --- | --- |
| **Event** | **Anticipated Date** |
| Request for Proposal issued | January 19, 2016 |
| Request for Proposal closes | January 29, 2016 |

Upon completion of the evaluation, a report will be prepared for consideration by both Village Councils containing a recommendation to appoint an audit firm. Should Council resolve to accept the recommendation, the successful Firm will be contacted in writing of the award. The award will be for an initial three (3) year appointment term with annual reviews carried out in each of these years by Village staff. Subject to satisfactory performance of the services by the successful Firm, as determined by the Village at its sole discretion, the term may be extended for an additional two (2) year period. It is anticipated that a decision will be reached on or before February 9, 2016.

**2.3 General Conditions**

The Village is subject to the provisions of the Freedom of Information and Protection of Privacy Act (The Act). Proprietary information can be protected under the Act (Section 21) which deems disclosure harmful to business interests of a third party. Please clearly mark only the pages of your proposal that you consider to fall under this protection with “Confidential”. However, please be advised that should there be a dispute regarding the protection of this information, the final decisions is made by the British Columbia Information and Privacy Commissioner.

Late proposals will not be accepted and will be returned to the Firm.

**2.4 Signature and Seal**

Proposals shall be submitted under the signature of individuals authorized to sign such proposals and commit the Firm to perform the services contemplated in the Village’s RFP. The Corporate Seal of the Firm should be affixed where appropriate in the proposal submission.

**2.5 Preparation Costs**

All costs associated with the preparation and submission of a proposal shall be borne solely by the Firm.

**2.6 Termination of Services**

Notwithstanding the provisions of the Community Charter respecting the termination of a Firm, either party may terminate audit services as described, upon 30 days written notice.

**3. PROJECT SCOPE**

**3.1 General**

In compliance with the Community Charter, Council must appoint an auditor (or audit firm) for audit services; however, other firms may be used for other financial services if it is deemed more advantageous or appropriate to do so. The Villages, therefore, expressly reserves the right, at their sole discretion, to use other financial services and financial firms.

**3.2 Range of Services**

The range of audit services required to be performed by the Firm shall include, but not be limited to, the following:

1. Performing an annual audit in accordance with Canadian generally accepted auditing standards and the provisions of the Community Charter;
2. An audit opinion on the consolidated financial statements and the supplementary information on the financial position and operating results of the individual funds of the Village;
3. Attending meeting(s) with Village staff for the planning and review of both the audit process and the financial statements;
4. Responding to and discussing with Village staff, any accounting, auditing or tax related issues arising during the contracted period of audit services.

Financial statements for both Villages, which will conform to Public Sector Accounting Board requirements, will be prepared by Village staff complete with working papers. Electronic working papers will be prepared in Muniware (exported to excel) for the Village of Port Clements and MAIS for the Village of Masset and financial statements in Muniware/MAIS (exported to excel). Additional information will be provided as necessary.

Submission of electronic working papers to the auditor will be determined annually at a mutually agreed upon date (usually on or before February 28th). The auditor’s dates on-site will be at mutually agreed times. The audited financial statements must be finalized and received one week before they are considered by Council pursuant to the provisions of the Community Charter. The latest date for completion of the draft audited financial statements will be April 20th.

**4. THE PROPOSAL**

**4.1 General**

The proposal should include the following information, in a format easy to identify:

1. The legal name of the audit firm, local address, telephone, name of the contact person and e-mail address;
2. The location of the office from which the audit services are to be performed and the number of partners, managers and other professional staff employed at that office;
3. A full description of the range of services provided by the local office;
4. Identification of the partner, managers and supervisors who will be assigned to the audit, together with their qualifications and professional certifications;
5. A list of current and prior government audit clients, including the number of years of service on each and the name and telephone number of a contact who can provide the Village with a reference;
6. A description of experience with up-to-date Public Sector Accounting Board requirements;
7. Experience in providing additional services to government and a description of the nature of such services; and
8. Confirmation of WCB and insurance coverage.

**4.2 Cost and Time Estimates**

Proposals shall contain the following additional time and cost information:

* An estimate of the total number of person hours required to complete the audit;
* Hourly billing rates for each category of staff;
* Additional costs or disbursement charges and fees;
* An all-inclusive, maximum price for full audit services for each of the fiscal years of 2015 to 2017;
* Proposed audit schedule
* Details on innovative ways to reduce audit fee, reduce internal staffing time or improve quality of financial information; and
* Pricing structure for special projects.

**4.3 Acknowledgement and Understanding**

In submitting a proposal, the Firm acknowledges and agrees that it has read, understood and agreed to all terms and conditions described in this document.

* 1. **Acceptance of Proposal and Award of Contract**

In submitting a proposal, the Firm acknowledges and agrees that the Villages are not bound to accept the lowest priced or any proposal of those submitted.

**APPENDIX A: 2014 Audited Financial Statements**

**APPENDIX B: 2015 – 2019 Financial Plan Bylaw**

**APPENDIX C: Desirable Criteria**

|  |  |
| --- | --- |
| **Criteria** | **Weighting (of 100%)** |
| Firm Profile | 10% |
| Qualifications | 20% |
| Methodology | 25% |
| Pricing | 45% |

The points will be awarded within the following categories:

|  |  |
| --- | --- |
| **Component** | **Criteria** |
| Firm Profile | Local, Regional or National Firm  Office Location and the number of professional staff employed |
| Qualifications | Previous experience with similar audit engagements including the names and numbers of client contact  Identify the professional staff that will work on the audit including a brief resume for each  Clarity of work plan (time table) and reporting requirements |
| Methodology | Quality of proposal and proposed work  Innovation |
| Pricing | Proposed Audit fee and hourly rates for additional services |

NOTE: Any additional information that is pertinent to the audit, and not noted above, should be included in the proposal and may be considered.