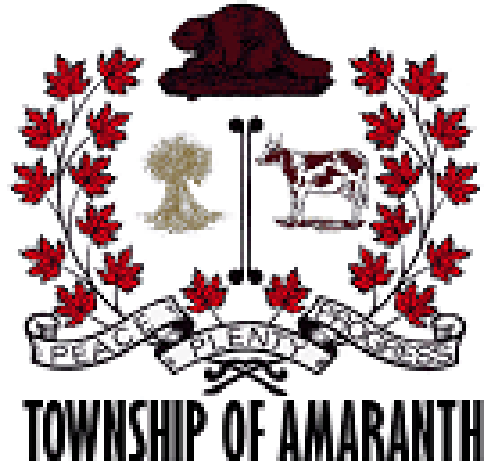


**REQUEST FOR PROPOSAL FOR
FINANCIAL AUDIT SERVICES**



ISSUED BY

**THE CORPORATION OF THE
TOWNSHIP OF AMARANTH**

Issue Date: December 23, 2024

**Closing Date: February 7, 2025
2:00pm**

BACKGROUD INFORMATION

The Township of Amaranth is a rural lower tier municipality within the County of Dufferin. The main office is located at 374028 6th Line, Amaranth, Ontario, L9W 0M6.

The Township utilizes Keystone / ADP software for their financial functions, including payroll, general ledger and budgeting, accounts payable, accounts receivable, cash receipts, and taxes for approximately 2,000 properties.

INTENT OF PROPOSAL

This Request for Proposal is a call for external audit services for The Corporation of the Township of Amaranth. The Township is requesting proposals from firms that are both interested and capable of undertaking the project and reporting its findings. The onus is on the proponent to show its knowledge, understanding and capacity to conduct the work outlined in the Request for Proposal.

Required Elements

The *Municipal Act, 2001*, Section 296, allows for the appointment of external auditors for a term of five years or less. The intent of the Township is to appoint external auditors annually, for the five-year term, subject to satisfactory performance.

Audit Process

Current procedures for the Township audit include a late fall meeting to perform the audit of internal control procedures and some pre-audit for year end. From the Township's perspective the best time for this is the month of November.

Specifically included will be all related audit and certification work required by the Ministry of Municipal Affairs (including preparation of the Financial Information Returns and the Financial Report).

With respect to the various operations of the Township the responsibilities of the auditors will generally be limited to the expressions of an opinion on the financial statement, physical preparation of financial statements or schedules, including the Cemetery Trusts, but will not generally include accounting work.

The auditors will attend meetings which are called to discuss their work and reports and shall provide information as requested which will enhance the understanding of members of the Council concerning matters pertaining to the annual financial statements.

No later than 60 days following completion of the audit reports the auditors shall prepare and deliver to the Treasurer draft letters conveying their concerns relative to the internal accounting, operating controls and/or other matters of material importance with respect to the Township's operations, which may have been discovered in the course of the audit. The auditors shall also provide recommendations for corrective actions

required and be prepared to provide advice and assistance for implementation. Copies of the draft letters are also to be delivered to the CAO/Clerk.

The auditors shall meet with the Treasurer to discuss the comments. Following agreement of content, revised copies (if necessary) shall then be provided by the auditors for inclusion in the Treasurer's reports to council, together with the appropriate staff response.

Annual Schedule

On or before October 31st of each year, the Township's auditor shall meet with the Treasurer to discuss and agree upon a schedule for the completion and audit of the various financial statements of the Township for the current year.

Term of Engagement

It is expected that the successful firm will be the Township's auditors for a period of five years commencing for the 2024 audit. The appointment, however, will be on an annual basis for a term of one year, and council reserves the right to not reappoint if dissatisfied in any way with performance, the fees charged, or any other elements of the service provided. Council also reserves the right to change its policy on Audit Review.

During the term of the engagement, the auditor's performance will be evaluated based on the following criteria:

- **Persons assigned to the audit:**
For the initial year of the engagement, the persons assigned to the audit should be those originally proposed. Any subsequent changes to audit personnel must be acceptable to the Township Treasurer.
- **On-site participation of the audit senior:**
It is expected that the audit senior will be present for the financial audit.
- **Performance in the manner proposed:**
It is expected that the financial audit will be carried out in the manner proposed. Any changes in the financial audit program which impact staff and other resources of the Township shall be discussed with, and agreed to, by the Township Treasurer.
- **Adherence to Financial Audit Deadlines:**
It is expected that the financial audit will be completed within the time frames agreed to in the annual schedule. Significant dates for the Township currently include:
Completion of all the financial statements by late April;
Township Council presentation in May;
Submission of the Financial Information Return to the Province by May 31st or such other date as stipulated by the Province.
The dates are approximate and may require adjustment from year to year depending on issues facing the Township.

PROPOSAL STRUCTURE AND CONTENT REQUIREMENTS

Structure

The proposal document should be structured in sections that refer to the headings addressed in the Proposal Content Requirements of this section and should be numbered and tabbed accordingly.

Applicable Expertise and Resources

- Name, address and telephone number of the firm and its principal contact person;
- Satisfactory evidence that the partner(s) is(are) licensed under the *Public Accounting Act*;
- Indicate compliance with Section 296 of the *Municipal Act, 2001*.

Technical Requirements and Related Experience

- Provide a list of the firm's current and prior municipal clients indicating the type(s) of service performed and the number of years served for each client. Please provide the names and phone numbers of senior staff of these municipalities that may be contacted as references.
- Indicate the firm's experience in providing auxiliary services to include tax services, technology and audit expertise to municipal clients by listing the name of each client, the type(s) of services performed, and the local office which provided the service.
- Show evidence of well-developed professional auditing techniques to evaluate systems of internal control and review for audit work performed.
- Provide evidence that the firm has experience in auditing comparable municipalities.
- Firms must show evidence they have substantial expertise, resources and support services available to perform the audits consistently from one year to the next, in an expeditious manner and within the required time frames.

Personnel Technical Requirements

Include resume(s) and experience profile of the proponent's principal contact person(s) who will be responsible for this contract.

Describe the experience in municipal audits of the partner, manager/supervisor, and senior staff assigned to the audit including years on each job and their position on each audit. Describe the role of each member of the audit team assigned to the audit including staff in specialized areas such as computer auditing or commodity tax specialists.

Indicate the local office(s) where the staff will be located, which office will be assigned the audit and provide a detailed list of audit staff and their positions.

- Describe the relevant educational background of each individual assigned to the audit. This should include seminars and courses attended within the past two years.
- Describe any specialized skills, training and background in public finance by assigned individuals.

Methodology/Understanding of the Requirements

Describe the firm's approach to the Financial Audit. This should include at least the following points:

- Demonstrate an understanding of legislation relevant to the municipal environment.
- Type of audit program used.
- Use of statistical sampling (techniques and automated tools).
- Use of computer audit specialists
- Organization of the Financial Audit team and approximate percentage of time spent on the financial audit by each team member.

Budget

A listing of proposed fees for each of the five years must be included with your proposal. Also included should be an indication as to how fees for special audit work would be billed.

All fees quoted will be kept confidential until they are released for purposes of approval by council, just prior to the appointment of the successful auditors.

Other Considerations

Please include any other items, not covered in the previous sections, which will identify why your firm should be selected by the Township. Information should be included in the proposal regarding any advisory services which may be available to the municipality free of charge on routine matters. These may include staff assistance and/or publications relating to the economy, income tax, payroll tax, commodity and excise tax, employment benefit plans, cash management, etc.

Validity

Proposals shall be irrevocable and open for acceptance by the Township at any time within ninety (90) days from the closing date.

PROPOSAL PROCESS

Timeline

The following timeline has been established for the Proposal selection process:

| | | |
|----------------------------------|-----------|-------------------|
| Request for Proposals Issued | | December 23, 2024 |
| Deadline for Proposal Submission | 2:00 p.m. | February 7, 2025 |
| Proposals Considered by Council | | February 19, 2025 |

Date & Place for Receiving Proposals

- Proposals will be received by 2:00 p.m. local time on February 7, 2025.

Proposals received after 2:00 p.m., local time on February 7, 2025 will not be considered.

- Proposals must be, submitted in a sealed envelope, addressed to:

Township of Amaranth
Attn: Sabrina VanGerven, Treasurer
374028 6th Line,
Amaranth, ON L9W 0M6

And clearly marked:

Request for Proposal – Financial Audit Services

The name and address of the proponent MUST also be included on the outside of the envelope.

Interview

An interview may be necessary as part of the evaluation process.

Negotiations

In the event that a prepared proposal does not precisely and entirely meet the requirements of the Township, the Township reserves the right to enter into negotiations with the selected Proponent(s) to arrive at a mutually satisfactory arrangement with respect to any modifications to a proposal.

Communications

All requests for information and/or clarification as well as questions regarding the interpretation of the terms set out in this document should be referred to Sabrina VanGerven, Treasurer at svangerven@amaramth.ca or 519-941-1007.

The Township reserves the right to distribute any or all questions and answers to the other proponents.

Withdrawal or Substitution of Submission

A proponent may withdraw or substitute all or part of his/her proposal at any time up to the official closing time. The last proposal received shall supersede and invalidate all proposals previously submitted by that proponent for this proposal.

A proponent may withdraw or qualify his/her proposal at any time up to the official closing time by submitting a letter bearing the signatures in his/her proposal to the Treasurer, who will mark thereon the time and date of receipt and will place with the received proposals. **No telephone calls or transmissions by facsimile copies will be considered.**

Alterations or Variations

No alterations or variations of this document shall be valid or binding upon the Township unless authorized in writing.

Oral Explanation or Interpretation

No oral explanation or interpretation shall modify any of the documents or provisions of the Township's request for proposal documents.

PROPOSAL EVALUATION

Qualification Evaluations

The submissions will be assessed on the merits of the information provided. Proposals should address the categories listed above to enable the reviewer to undertake adequate assessment.

LOWEST BID OR ANY PROPOSAL NOT NECESSARILY ACCEPTED

Acceptance of this Proposal and Contract

It is expected that one proponent will be selected to conduct this audit work. Upon selection, the successful proponent will be required to enter into a contract with the Township.

The contract will be based on the specifications, terms and conditions expressed in this document, the successful proponent's proposal and documented negotiations and will include the requirements of proof of professional liability insurance.

Incurred Costs

The Township shall not be responsible for any liabilities, costs, expenses, loss or damage incurred, sustained or suffered by any proponent(s) prior or subsequent to or by reason of the acceptance or non-acceptance by the Township of any proposal or by reason of any delay in the acceptance of a proposal.

Errors and Omissions

The Township shall not be held liable for any errors or omissions in any part of this RFP. While the Township has used considerable effort to ensure an accurate representation of information in this RFP, the information contained in the RFP is supplied solely as a guideline for proponents. The information is not guaranteed or warranted to be accurate by the Township, nor is it necessarily comprehensive or exhaustive.

Cancellation

The Township reserves the right to cancel this Request for Proposals at any time up to the Award of a Contract.

Confidentiality

The successful auditor shall not at any time before, during or after the completion of the engagement, divulge any confidential information communicated to or acquired by the auditor or disclosed by any of the entities being audited in the course of carrying out the engagement. No such information shall be used by the auditor on any other project without prior written approval.

Invoicing and Payment

All invoices shall show the actual hours, responsibilities, staff and hourly rates. All payments will be in response to invoices itemized in accordance with the final signed contract, provided the invoices are based on work described in the scope of the

project, consistent with the negotiated deliverables and completed to the Township's satisfaction.

For further certainty, in the event that invoices are rendered that are in excess of the fees quoted in the final signed contract, payment will not be made unless the additional deliverables have been negotiated with and accepted by the relevant entity in advance of the conduct of the work.