The Municipality of Northern Bruce Peninsula is requesting proposals for the services of a qualified accounting firm to provide external audit services. Services will include, but are not limited to:

- Planning and performing the audit
- Performing tests of supporting documentation and processes
- Review of all financial information and documentation
- Draft and Final Audit Report (approximately 10 copies)
- Technical assistance throughout the fiscal year
- Preparation of Audited Financial Statements
- Preparation of Financial Information Return

1. **Background**
   
The Municipality of Northern Bruce Peninsula is a lower tier municipality in the County of Bruce. Our fiscal year end is December 31st. The Municipality has a population of 3,999 and provides the following services:
   - Local roads and bridges
   - Municipal airport
   - Fire protection
   - Building inspections and permits
   - By-law enforcement and paid parking
   - Parks and recreational services
   - Campground and two (2) Marinas
   - Cemeteries (3 active)
   - Solid waste collection and disposal (3 waste disposal facilities)
   - Municipal Water and Wastewater

2. **Financial Software**
   
The Municipality uses the following modules of **Keystone** Financial Software:
   - General Ledger
   - Accounts Payable
   - Accounts Receivable
   - Cash Receipts
   - Property Information
   - Fixed Assets
   - The Municipality uses **Easypay** software for payroll which is posted in summary to Keystone Financial Software.
3. Auditing Standards

Proponents must meet the following requirements:

- The proponent must be licensed under the Public Accounting Act, 2004.
- Qualify within the terms outlined in Section 296 of the Municipal Act, 2001
- Have recent municipal audit experience and demonstrate comprehensive knowledge of legislation governing municipal operations.
- Have well-developed professional auditing techniques and a sound system of control and review of audit work performed.
- Have expertise and resources available to address the scope of audit

4. Audit Period and Term of Engagement

The proposal is for auditing services for a five-year term with separate audits for each Fiscal Year Ending December 31, 2019, 2020, 2021, 2022, and 2023. It is the intent of the Municipality to negotiate a five-year agreement. The option to negotiate a shorter term or a one year extension to 2024 is at the sole discretion of the Municipality. Either party may cancel the written agreement by giving notice, in writing, by August 1st of any given year.

5. Audit Objectives and Scope of Work

The audit shall include the examination of the financial records and preparation of the financial statements for the following entities:

- The Corporation of the Municipality of Northern Bruce Peninsula (consolidated)
- The Trust Funds administered by the Municipality
- The auditors will be responsible for expressing an opinion on the financial statements, discussions with respect to presentation and disclosure, comments and observations in regards to any aspect of the accounting, reporting or financial affairs of the Municipality. The proposing firm should also have the required expertise to advise and give recommendations to the Municipality if required with respect to on-going changes in reporting requirements.
- Responsibilities will also include the preparation of the audited financial statements and preparation of the Financial Information Return including Performance Measures.
6. Terms and Conditions
   - Required to perform the audit in the field (on location).
   - No records are to leave the premises.
   - The audit should be considered a “local” audit and out-of-pocket expenses such as travel and accommodation, must be included as part of the audit fee and are not to be billed separately.

7. Insurance
   The successful proponent shall carry Comprehensive General Liability Insurance (minimum $5 million limit) and Professional Liability Insurance (minimum $5 million limit) naming the Municipality as an additional insured.

8. Workplace Safety and Insurance (WSIB)
   The successful proponent must submit a valid WSIB Clearance Certificate.

9. Proposal Requirements
   The proposal should demonstrate that the firm will provide the audit services in a manner that will be cost effective for the Municipality; however, pricing is only one of the factors being considered in determining the most suitable proponent. In submitting a proposal, the proponent acknowledges the Municipality’s right to accept other than the lowest priced proposal if it is deemed to be in the best interest of the Municipality.

   If the proposal is unclear or appears inadequate the Municipality may at its discretion give the firm an opportunity to explain how the proposal complies with the RFP requirements. The proposal must contain at least the following:

   1. Name(s) and title(s) of the person(s) authorized to submit the proposal and execute the agreement.

   2. A letter submitted on the firm’s letterhead and signed by the corporate agent, owner or principal describing how the firm satisfies the requirements noted above and the firm’s experience in performing municipal audits in the Province of Ontario.

   3. A brief history of the firm as a business entity, including information that demonstrates the firm’s financial stability.
4. Names of the partners, managers and key staff employees assigned to this engagement. Describe their roles and provide a brief description of their professional experience and education including the specialized areas of municipal accounting and auditing.

5. Provide a list of your firm’s municipal audit engagement clients within the last five years and respective contact information including the client’s address, phone number and email contact.

6. Attach to your proposal one sample of a municipal audit report and management letter covering an audit of a municipality with comparable services to the Municipality of Northern Bruce Peninsula.

7. Comment on your firm’s ability and willingness to provide constructive suggestions for improving the Municipality’s internal accounting controls, administrative procedures, and financial processes.

8. Explain how you would propose to use municipal personnel to assist you during the audit and indicate the approximate time requirement.

9. Proof of insurance coverage naming the Municipality of Northern Bruce Peninsula as an additional insured.

10. Provide a proposed work schedule and work plan for audit, including approximate dates for various stages of the audit and meetings with staff and Council.

11. The proposal shall include a firm bid submission for the annual fees to be charged. All expenses are to be included in the annual fee.

12. As part of the overall audit contract, the Municipality expects to receive a variety of technical assistance from the audit firm throughout the fiscal year that may include inquiries regarding accounting, reporting and internal control issues. Indicate fees for these services if any and/or if they are included in your total annual base fee.

13. Provide any additional information that supports the scope of work to be provided as set forth above.
MUNICIPALITY OF NORTHERN BRUCE PENINSULA
REQUEST FOR PROPOSAL – MUNICIPAL AUDIT SERVICES
RFP – TR–2019-01

Proponents may submit additional questions and clarification requests to Teresa Shearer, Treasurer, using the email address listed at the end of the RFP. Firms may modify or withdraw their proposals at any time prior to the closing date by providing a written request. Any amendments to this RFP will be in writing and issued to anyone who has indicated an interest to receive them.

10. Evaluation of Proposals
Proposals will be evaluated based on the scope of work and submission requirements listed above to determine which firm best meets the needs of the Municipality. The following factors will be used to evaluate proposals:

(a) Quality and comprehensiveness of the audit approach.
(b) Qualifications and municipal experience of the firm and members assigned to the Municipality’s engagement.
(c) Ability to provide a comprehensive range of auditing and financial services.
(d) Audit service cost.

11. Proposal Award Schedule
September 10, 2019 Audit RFP Issued
September 27, 2019 Proposals due by 4:30 pm
October 15, 2019 Recommendation to Council

Proposals submitted will be reviewed and evaluated by the CAO and Treasurer. A recommendation for awarding the contract will be presented to Council for approval.

12. Proposal Submission
Two copies of your proposal must be received at the Municipal office by 4:30 pm on September 27, 2019. Proposals received after the deadline will not be eligible:

Proposals should be directed to:
By Mail: Northern Bruce Peninsula
Teresa Shearer, Treasurer
RFP TR-2019-01 – Municipal Audit Services
56 Lindsay Rd 5, RR 2, Lion’s Head, ON N0H 1W0

E-mail: treasurer@northernbruce.ca