



TOWN OF THE PAS

REQUEST FOR PROPOSALS
PROFESSIONAL AUDIT SERVICES
FOR THE YEARS 2021 - 2023

- Bidders are requested to complete and return the bids according to the submission format. Bids that do not meet the requirements of the submission format will not be considered for evaluation.
- All proposals must reference **Proposal for Professional Audit Services 2021 - 2023** and must be received by the undersigned before 3:00 pm, Oct 9, 2020. Town of The Pas will accept proposals via e-mail: grahamk@townofthepas.ca hard copies can be drop off or mailed to the address below, provided they are received prior to the time and date indicated.

The Town of The Pas
Box 870
81 Edwards Street
The Pas, Manitoba R9A 1K8

For inquiries contact:

Graham Kahler, CA CPA, CMAA
Interim CAO/Controller
204-627-1107
Email: grahamk@townofthepas.ca

SCOPE OF WORK TO BE COMPLETED:

- The Town of The Pas (“Municipality”) requests proposals from qualified firms to provide professional audit services for the Municipality and Controlled Entities. **The proposal will cover the fiscal period from January 1, 2021 to December 31, 2023 inclusive (3 year term) and is subject to the approval of Council.**
- Audits must be performed in accordance with Generally Accepted Accounting Standards as defined by the Canadian Institute of Chartered Professional Accountants and the recommendations in auditing statements issued by the Public Sector Accounting and Auditing Committee.
- The Municipality requires attested audit services to be performed on the Municipality’s general purpose financial statements for the purpose of expressing an opinion on the fair presentation of the Municipality’s financial position in accordance with the generally accepted accounting standards for Manitoba municipalities.
- The audit shall be performed in accordance with generally accepted auditing standards and in accordance with Part 6, Division 5 of The Municipal Act.
- The Municipality has a December 31st year-end.
- The auditor will be required to prepare general-purpose audited financial statements in accordance with generally accepted accounting principles for Manitoba municipalities which comply with PSAB standards (as of January 1, 2009). This includes the review of the conversion of the Financial Plan accounting practices used throughout the year by the Municipality to the PSAB reporting format required for the annual audited financial statements. Controlled Entities are to be included to make up the consolidated annual financial statements.
- In addition, the auditor must submit reports to the Province of Manitoba related to information and expenditures made by the Municipality that includes but is not limited to Federal Gas Tax funding.
- Subsequent to completion of the year end audit, the auditor will be expected to provide an internal control memorandum advising of any issues related to internal control, accounting systems and legality of actions that in the auditor’s opinion should be brought to management’s attention.

- Prior to submission of the audited financial statements and supplementary report, the audit firm's staff may be required to review the proposed audit opinion report and supplementary report with the Mayor and Council.
- The auditor may be required to present the annual audited financial statements to Council no later than June 30 in the year following the year for which the audit is prepared, as per Section 190 of The Municipal Act.
- The Municipality will not reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Proposals received become the property of the Town of The Pas and will not be returned to the bidder.
- The Request for Proposal must be in the format outlined in Schedule A, which is attached.
- Submissions will not be accepted by facsimile. Preferred means of submission will be electronic or hard copy.

BACKGROUND INFORMATION:

- The Municipality is governed by a seven member Council.
 - The Municipality's administrative office is located at 81 Edwards Avenue in The Pas, Manitoba.
 - Organization chart can be found online at:
<http://www.townofthepas.ca/organizational-chart/>
- The 2020 annual municipal operating budget is \$12.5 million and \$2.5 million for the water and sewer utility.
- The Municipality has utilized the municipal accounting system known as iCity/Vadim since 2006.
 - Copies of previous years audited financial statements can be found online at:
<http://www.townofthepas.ca/audit/>
 - Copies of current and previous year financial plans can be found online at:
<http://www.townofthepas.ca/financial-plan/>

- Controlled Entities that are to be included in the annual financial statements are: The Pas Regional Library, The Pas and Area Recycling Centre, The Pas Community Development Corporation, Kelsey Planning District and Sam Waller Museum. Separate financial statements are received by the Municipality from these entities; to assist in preparing the Municipality's annual consolidated financial statements. Preparation of separate financial statements for The Pas Regional Library, The Pas and Area Recycling Centre and Sam Waller Museum to be included as part of the engagement.

Statistics (2019):

(a) Payroll full-time equivalent (Bi-Weekly)	47
(b) Payroll part-time union employees (Bi-Weekly)	19
(c) Accounts payable cheques annual volume (Bi-Weekly)	1784
(d) Invoices issued annual volume	
i) General / Work orders	1765
ii) Property Tax (Annual)	2375
iii) Utility (Quarterly)	1990
iv) Purchase orders	549

Evaluation Procedure:

- The Council will evaluate the proposals received.
- Any one or all firms may be requested to make an oral presentation, which will provide an opportunity to answer any questions concerning their proposal.
- The Council has sole authority to make the appointment.
- Any significant deviations from the requirements of the request for proposal may be cause for rejection.

Schedule 'A' for Audit Request for Proposal

The following represents the format in which all proposals must be submitted:

1. Title Page

- A page showing the request for proposal subject, the name of the auditor's firm, its local address, the name and number of a contact person, the date and the name of the municipality.

2. Table of Contents

- The table of contents should clearly identify what is included in the proposal, by section and by page number.

3. Letter of Introduction

- A letter of introduction containing the name, address and telephone number of the individual authorized to represent and bind the firm to all commitments made in the firm's proposal and an understanding of the work to be performed.
- The letter should include an affirmative statement indicating that the firm and all assigned key professional staff are properly registered to practice in Manitoba and meet the qualifications set out in subsection 184(5) of The Municipal Act.

4. Profile of the Firm

- Give the location of the office from which the work is to be done, and the number of partners, managers, supervisors, seniors and other professional staff employed at that office.
- Describe the range of activities performed by the office such as audit, accounting or management service and similar engagements with other government entities.
- Describe the local office's computer capability, including the number and experience of personnel skilled in computer science and computer audit techniques who will work on the audit.

5. Partner, Supervisory Staff Qualifications and Experience

- List the staff to be involved with the audit, specifying each individual's role and experience/qualifications. (Brief resumes for each senior person assigned to the audit should be included in an appendix).

6. Audit Approach

- Provide a description of the firm's approach to the performance of the attest audit, including the extent to which a systems oriented approach is used, and the computer used. This description should also encompass the extent and timing of the planned use of municipal accounting, internal audit and data processing personnel where it is applicable. State how data processing will be used in the examination and estimate the data processing resources the Municipality will need to supply in terms of computer time and operator time.

- As well, describe how audit time would be allocated between interim and year end work; and the timing of that work.

7. Compensation

- Estimate the total hours; estimate the out-of-pocket costs and the resulting all-inclusive maximum fee for which the requested work will be done for the audit of the Municipality.
- Estimate the total hours; estimate the out-of-pocket costs and the resulting all-inclusive maximum fee for which the requested work will be done for the audit of the Controlled Entities priced out individually.

8. Additional Data

Since data not specifically requested **is not** to be included in the foregoing sections, give any additional information considered essential to the proposal in this section. If there is no additional information to present, state in this section, "There is no additional information we wish to present".

9. **The final completed audited financial statements must be received by the Municipality on or before June 30th of the year following the year being audited and all fieldwork must be completed on or before May 31st of that year.** Year-end working papers provided by the Municipality will be completed no later than **April 30th** of the following year. The proposal should include proposed timelines for commencement and completion of the fieldwork and for submission of the first and final drafts of the financial statements.

As audited financial statements for the Controlled Entities will be required in order to complete any working papers provided by the Municipality, please include proposed timelines for commencement and completion of audited financial statements for the Controlled Entities.