



**TOWNSHIP OF
GREATER MADAWASKA**

**REQUEST FOR PROPOSAL
FOR
MUNICIPAL AUDIT SERVICES**

RFP04-2025

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Date Issued: May 08, 2025

Submission Deadline: May 30, 2025 at 2:00 pm

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1 Purpose

This Request for Proposal (RFP) is an invitation to submit proposals for the provisions of services for a Financial Audit for the Township of Greater Madawaska for a 3-year contract with an option to extend for an additional 2-year period.

2 Background

The Corporation of the Township of Greater Madawaska is an incorporated municipal township in the County of Renfrew. It is a lower-tier municipality located approximately 82 km outside of Ottawa, Ontario. It is 1034 square kilometers, which includes the villages of Calabogie, Dacre, Griffith, and Matawatchan. The Township's current population is 2,864. The Township of Greater Madawaska has a Council comprised of 4 Councillors and 1 Mayor.

3 Information

The Township of Greater Madawaska wishes to appoint an auditing firm to carry out examinations of the records and financial statements of the Corporation for a 3-year contract for the examination of fiscal years 2025, 2026, and 2027 with the option to extend for a 2-year period (2028 and 2029).

Proposals are invited from firms of Chartered Accountants who are licensed under the Public Accounting Act, 2004, that have significant experience in providing audit services to Ontario municipalities and are qualified within the conditions outlined in Section 296 of the Municipal Act, S.O. 2001, c.25.S. Proponents are encouraged to review the Township's consolidated Financial Statements <https://www.greatermadawaska.com/en/township-office/budgets-and-financial.aspx>

The Township has a responsibility for the provision of services to ensure the safety and wellbeing of its residents and ratepayers. The responsibilities for these services are, for the most part, divided into departments with each department managing its expenditures within the approved annual budget allocations.

These departments consist of General Government (including Council, Clerks, Treasury), Fire, Facilities, Environmental, Public Works, Planning and Building, and Community Services.

The Township of Greater Madawaska Public Library operates within the municipal structure in accordance with specific provincial legislation.

The Township's approximate annual operating budget is \$7.0 million. The Township utilizes Icity Vadim financial software for their financial functions. All assets are managed by the Citywide Asset Management program.

The following financial statement audits are required:

- Consolidated Financial Statements
- Township of Greater Madawaska Public Library Board Financial Statements
- Federal and Provincial Gas Tax Funding Audit Reports

Preparation and Completion of the Annual Financial Information Return (FIR) is to be included as an option for completion by the proponent.

4 General Conditions

Collusion

The Proponent shall not engage in collusion of any sort and, in particular, shall prepare its proposal without any knowledge of, comparison of figures with or arrangement with any other person or firm submitting a tender for the same requirement.

Amendment or Withdrawal of Proposal

The Proponent may amend or withdraw their proposal prior to the closing date and time by submitting a clear and detailed written notice to the RFP contact. All proposals become irrevocable after the closing date and time.

Rights to Information

Upon completion of this contract, the Municipality will be the sole owner of all information provided to the Municipality. The successful proponent will receive credit for all original material. Should the firm wish to maintain intellectual property rights over any portion or aspect of the final submission, this must be clearly identified in the proposal submission.

Indemnification

The proponent shall defend, indemnify and save harmless the Municipality and their elected officials, officers, employees and agents from and against any and all claims of any nature, actions, causes of action, losses, expenses, fines, costs (including legal costs), interest or damages of every nature and kind whatsoever, including but not limited to bodily injury, sickness, disease or death or to damage to or destruction of tangible property including loss of revenue or incurred expense resulting from disruption of service, arising out of or allegedly attributable to the negligence, acts, errors, omissions, misfeasance, nonfeasance, fraud or willful misconduct of the proponent, their directors, officers, employees, agents, contractors and subcontractors, or any of them, in connection with or in any way related to the delivery or performance of this Contract. This indemnity shall be in addition to and not in lieu of any insurance to be provided by the proponent in accordance with this Contract, and shall survive this Contract. The proponent agrees to defend, indemnify and save harmless the Municipalities from and against any and all claims of any nature, actions, causes of action, losses, expenses, fines, costs (including legal costs), interest or damages of every nature and kind whatsoever arising out of or related to the bidder's status with WSIB. This indemnity shall be in addition to

and not in lieu of any proof of WSIB status and compliance to be provided by the proponent in accordance with this Contract, and shall survive this Contract.

Municipal Freedom of Information and Protection of Privacy Act

The Municipality is subject to the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.M.56, as amended with respect to, and protection of, information under its custody and control. Accordingly, all documents provided to the Municipality in response to this RFP may be available to the public unless the party submitting the information requests that it be treated as confidential. All information is subject to Municipal Freedom of Information and Protection of Privacy Act and may be subject to release under the Act, notwithstanding the Proponent's request to keep the information confidential.

Proposal Validity

Proposals shall remain valid and open for acceptance by the Municipality for a period of sixty (60) calendar days, following the due date for receipt of proposal

Rejection of Proposals

Bids will be rejected for any of the following:

- bid received after the due date/time ;
- incomplete bid;
- envelope not identifying Proposal for Audit Services and/or Treasurer – see Section 5 i)
- proposal requirements not being met.
- informal proposal.

Right to Award

The Municipality reserves the right to award this RFP to any, or none, of those firms that submit a proposal. Regardless of the decision to award, or not to award this RFP, the prospective firms are responsible for all costs incurred in the preparation of its proposal. The lowest, or any bid, will not necessarily be accepted.

Statement of Confidentiality

Consultants may submit proposals containing a "Statement of Confidentiality". However, this statement must indicate that the proposal can be reviewed by any staff of the Municipality, the Municipality's Council members, representatives, or contractors employed by the Township including an independent third-party Consultant contracted by the Municipality solely for the purpose of reviewing the proposal. Any deviation may cause the proposal to be deemed ineligible.

Errors or Omissions

It is understood and acknowledged that while the scope of work within this RFP lists the specific types of services to be provided, it should not be considered a complete and

comprehensive list. Minor items not herein specified but obviously required shall be provided as if specified. Any misinterpretation of requirements within this proposal bid shall not relieve the bidder of the responsibility of providing the services as aforesaid.

Conflict of Interest

It is understood and acknowledged that the selected firms will be required to declare conflict of interest on a per assignment basis prior to accepting the work, and shall not take on other assignments that may pose a conflict of interest while working for the Township on existing assignments.

Term of Engagement

It is expected that the successful firm will be the auditors for a period of three years with an option to renew for a further two year term as mutually agreed upon by both parties. The appointment of the auditor may be terminated immediately without penalty by the Municipality if the proponent fails to perform in accordance with the request for proposal and the proponent's proposal submission, the fee charged or any other elements of the service provided.

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

- adherence to proposed fees;
- persons assigned to the audit;
- on-site participation of the audit senior;
- performance in the manner proposed; and
- completion of audit within established deadlines.

5 Process

i) Closing Date and Time

The proposal must be delivered to Jennifer Eve, Treasurer/Deputy CAO, 19 Parnell Street, Calabogie, ON K0J 1H0, no later than 2:00 p.m. May 30th, 2025. Electronic responses are preferred at: treasurer@greatermadawaska.com. Please indicate the Request number in the subject line or on the envelope (ie. "RFP03-2025 Municipal Audit Services")

ii) Rights Reserved

Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP unless otherwise specifically noted in the proposal submitted by the Firm and confirmed in the contract between The Township of Greater Madawaska and the Firm selected. The Township of Greater Madawaska reserves the right, without prejudice, to reject any or all proposals and to determine in its own best judgment the firm best qualified to undertake this contract. The Township of Greater Madawaska shall not be liable for any cost incurred by the proposers in the

preparation of their response to this proposal or attendance at any selection interviews. No proponents shall be compensated for any costs associated with the preparation of this RFP.

iii) Responses from Auditor Firms

Submission should include a cover page that clearly identifies the audit firm responding. A table of contents should facilitate cross-referencing of the information in the proposal. Written submission: Two (2) copies ONLY of the response to the Request for Proposal, must be provided. The copies must be bound. Submissions in binders are not acceptable. Electronic submission: files must be emailed in PDF format. If submitting electronically, it is the onus of the file sender to ensure delivery of the proposal within the specified time frame.

6 Schedule of Events

Request for Proposal Release	Thursday May 08, 2025
Deadline for Queries	Monday May 26, 2025 by 3:00 pm
Addendum Release	24 hrs following query
Closing Date	Friday May 30, 2025 by 2:00 pm
Anticipated Notice of Award (subject to Council Approval)	Thursday June 19, 2025

Any questions relating to the RFP can be directed to Jennifer Eve at treasurer@greatermadawaska.com

7 Audit Scope and Requirements

General

The audit services shall include all duties as required under the Ontario Municipal Act, Public Sector Accounting Standards (PSAB) and Generally Accepted Auditing Standards (GAAP), and other applicable acts. Services shall include:

- Municipal Audit
- Preparation of Consolidated Financial Statements
- Township of Greater Madawaska Public Library Board Financial Statements
- Attend the necessary meetings of Council (Approx 2 if needed)
- Adjusting and reclassing entries if required
- Provide the Township with adjusting entries, schedules, working papers and final trial balance upon completion of fieldwork.

The Township would like a cost proposed for the preparation and submission of the Annual Financial Information Return. This will be considered an option for an add on if the Township wishes to purchase this option.

Annual Schedule

Before October 31st of each year, the auditors shall meet with the Treasurer/Deputy CAO to discuss and agree upon the following:

- a) The audit will include a preliminary visit in the fall to perform the audit of internal control procedures and some pre-audit for year-end.
- b) A schedule for the completion and audit of the various financial statements for the current year.
- c) A list of the necessary schedules, working papers, analysis and, other information to be prepared by staff.
- d) A list of the personnel assigned to the audit complete with a breakdown of how the audit hours will be utilized (i.e., fund analysis, confirmations, etc.)
- e) Scope and audit fees (if expected to be difference from RFP proposed)
- f) On-site audits must be scheduled for completion by March 31st of each year. On-site auditing must be between the hours of 8:30 a.m. and 4:00 p.m.
- g) The audited financial statements must be presented to the Treasurer of the Municipality no later than April 01st of each fiscal year. To ensure ample time to review prior to presentation at the April Regular Monthly Council Meeting held mid-April.

Qualified Statements

The auditors shall immediately, upon discovery of information or conditions, which would otherwise lead to the inclusion of a qualified opinion with respect to each of the financial statements, inform and fully discuss such matters with the Treasurer/Deputy CAO. In addition, the auditors shall, as far as possible, allow staff a reasonable period of time to review and take such corrective action as may be required to avoid the inclusion of such qualification.

Meetings and Subsequent Assistance

The auditors will attend such meetings as are called to discuss their work and reports and shall provide such information as requested to keep staff current with the progress of the audit and to resolve any concerns or queries staff and/or council may have regarding the audit of the financial statements. We expect some support throughout the year on various technical issues, whether it be for accounting related matters or internal controls.

Post-Audit “Management Letter”

Immediately following completion of the audit of the annual statements, the auditors shall prepare and deliver to the Treasurer/Deputy CAO, draft letters conveying any concerns relative to the internal accounting, operating controls and/or other matters of material importance with respect to the Municipality or any of its local boards or entities, which may have been discovered in the course of the audit. The auditors shall also provide recommendations as to such corrective actions as may be required, and be prepared to provide advice and assistance with regard to implementation if required to do so. The auditors shall meet with appropriate staff to discuss the comments. Following agreement as to the factual accuracy of the observations, a revised management letter (if necessary) shall be submitted to the Treasurer/Deputy CAO together with the appropriate staff responses.

Terms of Engagement

To provide for a degree of continuity and familiarity in the provision of audit services and given the scope and complexity of an audit the Township of Greater Madawaska will consider an appointment for a period of three years with an option to extend for an additional two years. Consideration would then be given to either recalling proposals or reappointing the existing auditors for a further term. Further, the contract may be terminated upon ninety (90) day’s written notice by either party.

Persons Assigned to the Audit

The persons assigned to the audit should be those originally proposed. Any subsequent changes to audit personnel should be reviewed with the client.

8 Proposal Content

The candidate firms will be evaluated based on Technical, Firm Qualifications, Audit Approach, Overall Impression, References, and Fees. Therefore, the proposal shall include the following information:

Technical, Firm Qualifications and Audit Approach

- a) Profile of the firm, including other audit assignments and clients; resource and support services available (i.e. income tax advice, HST, taxations, pension reform, internal audit, cash management, computer systems, federal/provincial budgets, etc.); particular strengths of the audit;
- b) An outline of the audit techniques to be utilized and procedures for reviewing the audit work and the financial statements;
- c) Information as to the location of the office which would be responsible for the audit, the names of the partner, manager, and senior staff who will be assigned to the audit if the firm is selected. Continuity of staff will be given a high priority and this must be so indicated;

- d) 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;
- e) Describe the role of each member of the audit team assigned to the audit including staff in specialized areas such as computer auditing, tangible capital assets or commodity tax specialists;
- f) Provide evidence that the firm has experience in auditing comparable municipalities, in terms of both population and breadth of services;
- g) Firms must demonstrate that they have sufficient 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;
- h) A satisfactory clearance certificate from the Workplace Safety and Insurance Board (WSIB) stating that all assessments or compensation payable to the WSIB have been paid;
- j) Ontario Regulation 191/11 made under the Accessibility for Ontarians with Disabilities Act, 2005;
- k) Provide a list of financial software packages they are knowledgeable and experienced with. Also, any other electronic media, software and/or hardware they can support or provide advice on.
- l) Confirmation that firms are able to comply with the Annual Schedule as listed above.

References

Provide evidence that the firm has experience in auditing comparable municipalities

Outline the types of service performed and the number of years served for each client

Provide a list of the firm's current and former municipal clients indicating the types of service performed and the number of years served for each client. Please provide the names and contact information of senior staff of these municipalities that may be contacted as references;

Fees

The proposal must include a firm quotation for fees to be charged for each of the following fiscal years ending:

- December 31, 2025;
- December 31, 2026; and
- December 31, 2027.

Extension (at the sole discretion of the Township);

- December 31, 2028; and
- December 31, 2029.

It is expected that the audit should be considered as a “local” audit and the Township would not be responsible for disbursements (including out of pocket) incurred by the firm which are caused by sending staff from outside locations. Fees should include all out-of-pocket expenses.

Additional services shall be identified on an hourly rate basis (exclusive of HST) for special audit work. It is assumed that HST will apply to additional service rates, unless otherwise indicated by the Respondent.

Other Considerations

Additional Information

Please include any other items, not covered in the previous sections, which will identify why your firm should be selected. Information should be included in the proposal regarding any advisory services which may be available to the municipality free of charge on routine matters.

E-mail and electronic data systems will be used extensively for the review of documents and for transmitting information. It is expected that the successful firm for each practice will have the appropriate technology in place and be fully conversant with electronic document editing/tracking and e-mail capabilities.

9 Proponent Declaration

By Submitting a Proposal for this RFP, Proponents declare that:

- They have carefully examined the RFP document and understands and accepts the conditions set out therein.
- No person, partnership or corporation other than the Proponent has any interest in this request for services or in the proposed contract for which this submission is made.
- This submission is made without any connection, comparison of figures or arrangement with or knowledge of any other person, partnership or corporation making a submission for the same work and is in all respects made without collusion or fraud.
- The Proponent offers to provide all services as outline in the Audit Scope for the prices set forth in the submission documents.

10 Evaluation Process

The CAO and the Treasurer/Deputy CAO (The Workgroup) will review and evaluate proposals submitted. The Workgroup will use a point formula during the review process to rank proposals. The Workgroup may invite the firms with the highest technical rankings to make an oral presentation to the CAO and Treasurer/Deputy CAO. If selected to make an oral presentation, it is expected that the partner and manager who will be assigned to the audit

will be present, and will make the presentation on behalf of the firm. It is anticipated that a firm will be appointed before the end of June 2025.

11 Insurance Requirements

Without restricting the generality of indemnification, the successful proponent is required to maintain the following insurance coverage for the entire term of the contract and any subsequent maintenance period; - - General Liability Insurance Coverage with a limit of no less than \$2,000,000. Professional Liability Insurance with a limit of no less than \$2,000,000.

The proponent shall provide proof of insurance in the form of a certificate of insurance. It is understood and agreed that the coverage provided will not be changed or amended in any way, nor cancelled by the proponent until 60 days after written notice by registered mail of such change or cancellations has been delivered to the municipality. Failure of the proponent to maintain / provide a current Certificate of Insurance will result in the contract being terminated.

12 Evaluation Criteria

The proposal will be evaluated based on, but not be limited to, the following information:

Criteria	Weight
Technical, Firm Qualifications and Audit Approach as outlined in the Proposal Content	45%
Overall Impression including the quality of the proposal or presentation	5%
References	5%
Proposed Fees for Services Indicated within this RFP	45%
Total	100%