



RURAL MUNICIPALITY OF LAC DU BONNET

Request for Proposals

Audit Services 2021-2024

Sealed proposals, clearly marked “RFP – Audit Services” will be received by the undersigned until 11:00 a.m., July 23, 2021.

Cameron Bell
Chief Administrative Officer
Phone: (204) 345-2619
Email: cao@lacdubonnet.com

Rural Municipality of Lac du Bonnet
PO Box 100
Lac du Bonnet, MB R0E 1A0

SCOPE OF WORK TO BE COMPLETED:

The Rural Municipality of Lac du Bonnet ("RM") requests proposals from qualified firms to provide professional audit services for the RM and review engagement services for the Controlled Entities. The proposal will cover the fiscal period from January 1, 2021 to December 31, 2024 inclusive and is subject to the approval of Council. Council may award the audit services for the RM separately from the review engagement services for the Controlled Entities.

Audits and review engagements must be performed in accordance with Generally Accepted Accounting Standards as defined by the Canadian Institute of Chartered Accountants and the recommendations in auditing statements issued by the Public Sector Accounting and Auditing Committee.

The Municipality requires attest 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 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 auditor will be required to prepare general-purpose audited financial statements in accordance with generally accepted accounting principles for Manitoba municipalities which now 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 fuel tax grants.

Subsequent to completion of the year end audit/review engagements, 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 to the RM and each of the controlled entities.

Prior to submission of the audited financial statements and supplementary report, the audit firm's staff is required to review the proposed audit opinion report and supplementary report with the Chief Administrative Officer or Board of each controlled entity.

The auditor will 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, in accordance with 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 Rural Municipality of Lac du bonnet 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.

BACKGROUND INFORMATION:

From a geographical perspective, the municipality is situated approximately 1.5 hours north east of Winnipeg, where prairie farmland in the west meets the boreal forest and granite outcropping of the Canadian Shield in the eastern portion of the R.M. Today the Rural Municipality of Lac du Bonnet encompasses approximately 460 square miles of land. A large portion of the R.M. includes waters of the Winnipeg River and its tributaries, making the region a Mecca to outdoor enthusiasts. Moreover, the municipality is ideally situated between two provincial parks: Nopiming Provincial Park to the northeast and Whiteshell Provincial Park to the southeast.

The RM is governed by a five member Council.

The Municipalities' Administrative Office is located at #4187 P.R. 317, just outside the Town of Lac du Bonnet, Manitoba. An organizational chart is attached which includes the number and categories of employees.

The RM has a December 31st year-end.

The RM operates with one (1) current bank account and holds twenty (20) reserve fund accounts. The 2021 annual municipal operating budget is \$7.3 million.

The Municipality has utilized the municipal accounting system known as Muniware for over twenty years.

A copy of our 2019 audited financial statements is attached.

A copy of our 2021 Tax Levy By-law and Financial Plan is attached.

Controlled Entities that are to be included in the annual financial statements are:

- Agassiz Weed Control
- Regional Airport Authority
- Lac du Bonnet Library

- Lac du Bonnet Planning District

Separate financial statements are currently received from these entities. As previously indicated, the RFP must include an option to provide all audit services for these Controlled Entities.

Each of these entities is responsible for having a review engagement performed on their financials.

The annual review engagement report from the Controlled Entities is to be included and consolidated in the RM annual audit financial statements.

Information about the Controlled Entities to be supplied on request.

Evaluation Procedure:

The RM Council will evaluate the proposals received using the following criteria:

MUNICIPALITY ONLY

FEES: 2021	
FEES: 2022	
FEES: 2023	
FEES: 2024	

ADDITIONAL FEES:	
PREPARATION OF PSAB ADJUSTMENTS	

ESTIMATED HOURS TO COMPLETE:	
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TOTAL MUNICIPAL ONLY:

FEES: 2021	0.00
FEES: 2022	0.00
FEES: 2023	0.00
FEES: 2024	0.00

ENTITIES ONLY

FEES: 2021	
FEES: 2022	
FEES: 2023	
FEES: 2024	

ESTIMATED HOURS TO COMPLETE:	
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MUNICIPALITY AND ENTITIES COMBINED

FEES: 2021	0.00
FEES: 2022	0.00
FEES: 2023	0.00
FEES: 2024	0.00

COMMENTS:

All above fees quoted before taxes

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.

For more information relating to the request for proposal, please contact Cameron Bell, CAO for the Rural Municipality of Lac du Bonnet.

Cameron Bell
Chief Administrative Officer
Phone: (204) 345-2619
Email: cao@lacdubonnet.com

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 RM.

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/Review Engagement 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 RM 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, out-of-pocket costs and the resulting all-inclusive maximum fee for which the requested work will be done for the audit of the RM.
- Estimate the total hours, out-of-pocket costs and the resulting all-inclusive maximum fee for which the requested work will be done for the review engagement 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. Annual Audit Completion Date

- **The final completed audited financial statements must be received by the RM 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 RM 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 is required in order to complete the annual audit, please include proposed timelines for commencement and completion of audited financial statements for the Controlled Entities.