



**Request for Proposal:
Financial Audit Services for the Town of Blackfalds**

Closing location:
Civic Cultural Centre
5018 Waghorn Street
Blackfalds, AB T0M 0J0

Closing date and time:
August 30, 2024
3:30PM, Mountain Daylight Time

General Contact Person
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Town of Blackfalds
Box 200
Blackfalds, AB
T0M 0J0

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1. Background

The Town of Blackfalds is seeking qualified consulting services through a formal Request for Proposal process to undertake the Town of Blackfalds' annual audit for a defined term of five (5) years with an option for renewal on a 1 year period providing the parties agree on engagement terms.

The Town of Blackfalds is situated in North-Central Alberta, along the QE II Hwy and Hwy 2A, between the cities of Red Deer and Lacombe and operates under a council-manager form of government. The Council is comprised of six elected members and an elected Mayor. The Chief Administrative Officer is responsible for the Town administration functions.

The Town utilizes the Diamond Municipal financial system for its financial and operational reports. The software includes full integrated modules for General Ledger, Accounts Receivable, Accounts Payable, Property Tax, Utilities, Business Licenses, Animal Licenses, Payroll and Cash Receipting.

Blackfalds continues to be a growing community with large residential and commercial development experienced in recent years. With multiple new schools being built in the Town coupled with quality-of-life amenities such as the Abbey Centre, Eagle Builders Centre, Sterling Industries Sports Park, Vesta Energy Bike Skills Park, Regional Transit System (BOLT) and the parks and trails systems, Blackfalds remains an attractive community.

Blackfalds has a population of just over 11,000 and provides municipal services including administration, finance, public works, recreation, water and wastewater services. The approved budget for all Town Operations for the fiscal year ending December 31, 2024 is \$33,400,000 accompanied by a \$5,400,000 capital budget.

The Town of Blackfalds employs 111 FTE employees (several of them being part-time employed in the recreation facility) with a monthly payroll of approximately \$850,000. Employees and Council members are paid via direct deposit.

Audit firms who are considering proposal pursuant to this request are encouraged to visit the Town of Blackfalds website @ <http://www.blackfalds.ca> for an overview of the Town. Also available online are documents pertinent to this proposal such as the Town's past audited financial statements.

Servus Credit Union Public Library

The Town's Servus Credit Union Public Library is attached to the Eagle Builders Centre. The library is a member of the Parkland Regional Library system. The library is funded by government grants, Town of Blackfalds and through user fees.

The approved budget for the Servus Credit Union Public Library for fiscal year ending December 31, 2024 is \$876,073.

The Servus Credit Union Public Library financial statements are outside the scope of this RFP, however the Library's financial statements are consolidated into the Town of Blackfalds.

For more information, visit the website @ www.blackfaldslibrary.ca.

2. Overview

The purpose of this Request for Proposals (RFP) is to seek a qualified financial audit firm to perform services as detailed in the Request for Proposal Documents for the Town of Blackfalds and its partners for a 5 year term (2024-2028 Audit years) with the potential for a future extension at the mutual agreement of all parties.

Financial Auditing Services will include, but are not limited to:

- Planning and performing the audit
- Performing tests of documentary evidence
- Evaluation of internal controls
- Review of adjusted journal entries
- Review of year-end financial statements
- Draft and final Audit Report
- Development of Financial Statements
- Filing of Financial Statements, annual Financial Information Return (FIR) and annual Statistical Information Return (SIR)
- Tri-Annual Local Authorities Pension Plan (LAPP) Audit.
- Technical assistance throughout the fiscal year.

The Town's 2023 audited financial statement is available on the Town's website (<http://www.blackfalds.ca>) for further information

3. Definitions

Throughout this Request for Proposal the following terminology will be used:

“Additional Services” means services requested by Town of Blackfalds not listed within this agreement.

“Business Day” means Monday to Friday, excluding holidays.

“Business Hours” means 8:30 a.m. to 4:30 p.m. MDT on Business Days.

“Close of Proposals” means 3:30 p.m. MDT on August 30, 2024

“Contract” means the written agreement between the successful Vendor and the Municipality to provide Financial Audit Services contemplated by this RFP.

“Council” means Council of the Town of Blackfalds.

“Evaluation Team” means the individuals who will evaluate the Proposals on behalf of the Town.

“FCSS” means Family & Community Support Services

“Town” means the Town of Blackfalds

“Municipal Government Act” means the Municipal Government Act, RSA 2000, c M-26 and its relevant regulations as amended from time to time.

“Must”, “mandatory”, “required”, “shall” means a requirement that must be met in substantially unaltered form in order for the Proposal to receive consideration.

“Optional” means a requirement not considered essential, but for which preference may be given.

“Partners” means Town of Blackfalds, Servus Credit Union Public Library

“Proponent” means a party signing and delivery of the Proposal documents to the Town.

“Proposal” means an offer by the Vendor to perform the Services in accordance with the Contract Documents and for the proposal price.

“PSAB” means the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

“Request for Proposals (RFP)” means the solicitation for the Financial Audit Services.

“Services” means the functions, duties, tasks and responsibilities to be provided by the Vendor as described in this RFP.

“Should”, “desirable” means a requirement having a significant degree of importance to the objectives of this RFP.

“Vendor” means an organization or a Consortium responding to this RFP with a proposal.

4. Request for Proposal

The Town of Blackfalds will receive proposals for the provision of Financial Audit Services to the Town of Blackfalds for a FIVE (5) year term with the potential for future extension options at the mutual agreement of all parties.

This RFP will be conducted with the objective of maximizing the benefit to the Municipality, while offering Vendors a fair and equitable opportunity to participate.

Vendors are advised that failure to satisfy any term or condition of this RFP may result in an unacceptable Proposal.

4.1 RFP Schedule of Events

RFP Issue Date: July 29, 2024

RFP Inquiries received up to: August 23, 2024

RFP Closing Date and Time: August 30, 2024

RFP Award to Successful Proponent (if any): September 10, 2024

Contract Commencement Date: October 1, 2024

4.2 Proposal Submissions

The proponent shall: Submit three (3) hard copies of the proposal and one (1) electronic copy. Proposals may be delivered by hand, courier, or mail. In responding to this RFP, your attention is drawn to the following:

- A Proposal Submission Letter and Proposal Response Form (Appendix 1) must be completed, signed by an authorized representative of the Vendor and included in the Proposal;
- Proposals received unsigned or after this RFP's closing date and time may be rejected;
- Ambiguous, unclear or unreadable Proposals may be cause for rejection; and
- Proposals must be sealed and clearly marked with this RFP's name and RFP closing date and addressed as follows:

Attention: Justin de Bresser, Director of Corporate Services
5018 Waghorn Street
Blackfalds, AB T0M 0J0
jdebresser@blackfalds.com

4.3 Vendor Questions

All questions regarding this RFP must be directed to the RFP Contact in writing by August 23, 2024. Enquiries and responses may be distributed to all Vendors, at the Town's discretion.

The Vendor has a responsibility to notify the RFP Contact in writing, of any ambiguity, divergence, error, omission, oversight, contradiction, or item subject to more than one interpretation in this RFP, as it is discovered, and to request any instruction, decision, or direction required to prepare the Proposal.

Verbal responses to enquires are not binding on any party.

5. Confidentiality and Security of Information

5.1 The Vendor, the Vendor's employees, subcontractors, and agents shall:

- Keep strictly confidential all information concerning the Municipality and/or third parties, or any of the business or activities of the Municipality and/or third parties acquired as a result of participation in the RFP;
- only use, copy or disclose such information as necessary for the purpose of submitting a Proposal or upon written authorization of the Municipality; and,
- the Vendor shall maintain security standards, including control of access to data and other information, consistent with the highest standards of business practice in the industry.

5.2 Conflict of Interest

Vendors must fully disclose, in writing to the RFP Contact on or before the closing date of this RFP, the circumstances of any possible conflict of interest or what could be perceived as a possible conflict of interest if the Vendor were to become a contracting party pursuant to this RFP.

The Evaluation Team shall review any submissions by Vendors under this provision and may reject any Proposals where, in the opinion of the Evaluation Team, the Vendor could be in conflict of interest or could be perceived to be in a possible conflict of interest position if the Vendor were to become a contracting party pursuant to this RFP.

6. Vendor Expenses

The Vendor is responsible for all costs of preparing and presenting its Proposal and for subsequent negotiations, if any, with the Municipality.

7. Period of Commitment

Proposals shall be final and binding on the Vendor for 90 days from this RFP's closing date and time and may not be altered by subsequent offerings, discussions, or commitments unless the Vendor is requested to do so by the Evaluation Team.

8. Multiple Proposals

If multiple Proposals are offered, the Vendor must submit each Proposal separately in the same format as outlined in the RFP. Proposals must meet the fundamental intent of this RFP. The Evaluation Team will decide the acceptability of each Proposal.

9. Cost

Annual cost to complete the assessment service must be quoted in Canadian dollars and exclusive of GST.

10. Irrevocability of Proposals

Vendors may amend or withdraw their Proposal prior to this RFP's closing date and time by submitting a clear and detailed written notice to the RFP Contact. All Proposals become irrevocable after this RFP's closing date and time.

Until the close of Proposals, the Proponent may withdraw its Proposal without penalty or forfeiture.

11. RFP Closing

This RFP will close August 30, 2024 at 3:30 p.m. MDT. Proposals must be received by the RFP Contact before 3:30 p.m. MDT on this RFP's closing date.

The Town may, by notice or addendum to all Proponents, postpone the Close of Proposals. **All notices and addendum, including the proposal documents, will be issued via the Province of Alberta's "Alberta Purchasing Connection" website and the Town of Blackfalds website. Notices to the Town of Blackfalds website are for information only and are not to be interpreted as binding on the Agreement.**

12. Consent to Use Information

The Vendor consents, and has obtained the written consent from any individuals identified in the Proposal, to the use of their personal information in the Proposal by the Municipality, the Municipality employees, subcontractors and agents, to enable the Municipality to evaluate the Proposal.

13. Information Disclosure and Confidentiality

13.1 FOIP

All documents submitted to the Municipality will be subject to the protection and disclosure provisions of the *Freedom of Information and Protection of Privacy Act (FOIP)*. FOIP allows persons a right of access to records in the custody and control of the Municipality, subject to limited and specific exceptions. It also prohibits the Municipality from disclosing the Proponent's personal or business information where disclosure would be harmful to the Proponent's business interests or would constitute an unreasonable invasion of personal privacy as defined in Sections 16 and 17 of the Act. Proponents are encouraged to identify all portions of their submissions that are confidential and what harm could reasonably be expected from its disclosure. The Municipality cannot assure Proponents that any portion of the Proponent's documents will remain confidential under FOIP. Under no circumstances, however, will the Municipality disclose information contained in a Proposal to any other Proponent prior to the award of a contract.

13.2 Proposal Return

Proposals and accompanying documentation submitted by Vendors are the property of the Municipality and will not be returned.

13.3 Proposal Rejection

The Evaluation Team may reject the lowest cost Proposal, or any or all Proposals.

14. Vendor Profile

The Proposal must include:

- A brief introduction of the Vendor, identifying the members of the consortium (if applicable) and the Prime Vendor who will be the Consortium's contact with the Municipality;
- The full legal name of the Vendor. In the case of Consortium Proposals, the full legal name of the Prime Vendor and each Consortium member must be provided;
- The location of the Vendor's head office and service centres. For Consortium Proposals, head office and service centre locations must be provided for each Consortium member;
- A Vendor contact for all questions and clarifications arising from the Proposal. The contact information should include the person's title, address including email, telephone and facsimile number.
- A Vendor contact authorized to participate in contract negotiations. The contact information should include the person's title, address including email, telephone and facsimile number;
- Response to each of the Vendor Requirements identified in this RFP; and

- Details of any and all subcontracting arrangements proposed by the Vendor.

14.1 Vendor References

The Proposal must include corporate references from at least three (3) municipalities in which the Vendor has provided services that are similar in scope and complexity to the services described in this RFP. References must include the name of the municipality and official contact person and should include a street address, email address and telephone number. The Municipality may contact these or other references without prior notice to the Vendor. Vendors who, in the opinion of the Municipality, receive unsatisfactory references may have their Proposal rejected.

14.2 Appendices

If the Vendor wishes to include any other material not specifically requested by this RFP, it may do so by including additional appendices in the Proposal.

14.3 Disclaimer of Liability and Indemnity

By submitting a Proposal, a Proponent agrees:

- To be responsible for conducting its own due diligence on data and information upon which its Proposal is based;
- That it has fully satisfied itself as to its rights and the nature extended to the risks it will be assuming;
- That it has gathered all information necessary to perform all of its obligations under its Proposal;
- That it is solely responsible for ensuring that it has all information necessary to prepare its Proposal and for independently verifying all information itself with respect to any terms or conditions that may affect its Proposal;
- To hold harmless the Municipality, its elected officials, officer, employees, insurers, agents or advisors and all of their respective successors and assigns, from all claims, liability and costs related to all aspects of the RFP process;
- That it shall not be entitled to claim against the Municipality, their elected officials, officers, employees, insurers, agents or advisors on grounds that any information, whether obtained from the Municipality or otherwise (including information made available by its elected officials, officers, employees, agents or advisors, regardless of the manner or form in which the information is provided) is incorrect or insufficient;
- That the Municipality will not be responsible for any costs, expenses, losses, damages or liability incurred by the Proponent as a result of or arising out of submitting a Proposal or due to the Municipality's acceptance or non-acceptance of its Proposal; and

- To waive any right to contest in any proceeding, case, action or application, the right of the Municipality to negotiate with any Proponent for the contract whomever the Municipality deems, in their sole and unfettered discretion, to have submitted the Proposal most beneficial to the Municipality.

15. Financial Audit Services Information

15.1 Requirements

- All Vendors must include a detailed listing of experience with Municipal Audits, listing current and past public sector audit clients and indicate the number of years your firm has been the auditor for each client.
- Qualifications of all those identified in the Proposal who would be responsible for delivering the services to the Town.
- Having sufficient staffing, facilities, financial resources and expertise to address the scope of the audit services.
- Demonstrate an understanding of legislation relevant to the local government environment.
- Describe your familiarity and experience with PSAB accounting and auditing standards outlined in the CICA Handbook.
- Proposals must clearly show the firm's understanding of the work to be performed, audit approach and commitment to perform the work within the time period specified in the annual schedule. This would include the approach to be used to gain an understanding of the Town's structure and systems as well as a proposed schedule of any specific techniques or processes to be used for the interim audit and annual audit.
- Description and methodology to be used for keeping the Town updated of any changes in accounting principles or legislation that would impact the annual financial statements.
- Description of non-auditing professional services provided to other local government clients and innovative products offered by your firm as well as any specific pricing structure for such services.
- Develop an audit schedule of activities before **October 31** of each year, adhering to all legislated and Town mandates.

15.2 Scope of Work

The vendor must:

- Examine the Financial records, Statements, systems and controls of the Town in accordance with GAAP and the provisions of the Municipal Government Act, utilizing the Caseware Software data files as provided by Town staff;

- Provide information to the Town, in writing, to ensure that financial statements and notes are in compliance with current reporting requirements and auditing standards;
- Provide an Auditor's Report suitable for printing within the Consolidated Financial Statements and be addressed to the Council or Boards of the entities being audited;
- Provide an Auditor's Report to accompany the Financial Information Return;
- Provide a management letter identifying areas of concern/weaknesses, make recommendations and follow up in following year;
- Attend meetings with the Town officials, including presenting audit plan prior to audit and audit report after completion of audit;
- Provide an audit finding letter at the start of the audit and the end of the audit noting any irregularities or illegal acts of which we become aware of;
- Provide advice and assistance in other areas as requested, including assisting Town staff with balancing issues should they arise;
- Tri-Annual Audit of the Town's compliance with the Local Authorities Pension Plan;
- Consolidation of the Blackfalds Public Library statements;

15.3 Insurance

- Proof of Errors and Omissions Liability Insurance coverage to a minimum of \$2,000,000 per occurrence.
- Provide a valid Workers Compensation Board account number and be responsible for WCB coverage.

16. Fee Schedule

- The Proposal shall identify the fee structure for the identified services over the entire life of the contract. The Town reserves the right to seek clarification on such information during the evaluation process.
- The fee schedule should include an all-inclusive maximum cost for the requested work for each of the five (5) years 2024-2028. Furthermore, all rates and fees are to be quoted exclusive of applicable taxes.

- Separate fee schedules shall be provided for the following:
 - a) Town of Blackfalds
 - 2024, 2025, 2026, 2027 & 2028 Municipal Audit
 - 2026 LAPP Pension audit

17. Termination

Agreement may be terminated as follows:

- By the Municipality effective immediately, for cause, upon notice to the Agency.
- By either the Municipality or the Agency for any reason whatsoever upon ninety (90) days' notice to the other party;

18. Evaluation Criteria

The Town reserves the right to accept or reject any or all Proposals and to waive irregularities and informalities at its discretion. The Town reserves the right to accept a Proposal other than the lowest Proposal without stating reasons. By the act of submitting its Proposal, the Proponent waives any right to contest in any proceedings or action the right of the Town to award the Services to any party in its sole and unfettered discretion. Without limiting the generality of the foregoing, the Town will evaluate proposals based on the following weighting:

Experience & Expertise	25%
Experience Servicing Clients (includes Company and staff)	25%
References (including Municipal)	10%
Fee Structure with clear allocation of costs	40%

This is a Request for Proposal and not an Invitation to Tender or Invitation to Request for Proposal. You are therefore advised that the Town reserves the right to:

- Accept a proposal with negotiation.
- Reject a proposal without negotiation.
- Negotiate changes in the technical or financial content of the successful proposal.

Subject to the requirements of FOIP, ratings shall be confidential, and no totals or scores of such ratings shall be released to any party.

19. Approval Process

Administration will forward a recommendation on the successful proponent's bid to a meeting of Council for approval.

Acceptance of a Proposal by the Town shall only be communicated by written notice from the Town to the successful Proponent. Notice of acceptance by the Town shall be delivered in writing at the address for the successful Proponent set out in the Proposal received.

The Town of Blackfalds reserves the right to accept or reject any and all Proposals, and to waive irregularities and informalities at its discretion. The Town reserves the right to accept a

Proposal other than the lowest Proposal without stating reasons. By submitting its Proposal, the Bidder waives any right to contest, in any proceedings or action, the right of the Town to accept or reject any Proposal in its sole and unfettered discretion. Without limiting the generality of the foregoing, the Town may consider any other factor besides price and capability to perform the work in its sole and unfettered discretion.

Appendix 1
PROPOSAL RESPONSE FORM
FINANCIAL AUDIT SERVICES
TOWN OF BLACKFALDS

Bidder/Company Name: _____

Contact: _____

Address: _____

Phone/Fax: _____ Email/Website: _____

Annual Base Fee, which includes annual audit and all reporting requirements for referenced parties:

January 2024 - December 2024

January 2025 - December 2025

January 2026 - December 2026

January 2027 - December 2027

January 2028 - December 2028

Additional charges not included in Base Fee:

Hourly rate(s) for additional services:

References

1. _____

2. _____

3. _____

Authorized Signature: _____

Title: _____

Date: _____