



LOCAL GOVERNMENT DISTRICT OF PINAWA

Request for Proposals

Audit Services 2018-2021

Sealed proposals, clearly marked "RFP – Audit Services" will be received by the undersigned until 11:00 am., July 15TH, 2018.

**Crystal Stanley
Accountant
Phone: (204) 753-5102
Fax: (204) 753-2770
Email: accountant@pinawa.com**

**The Local Government District of Pinawa
PO Box 100
36 Burrows
Pinawa, MB R0E 1L0**

SCOPE OF WORK TO BE COMPLETED:

The Local Government District of Pinawa (“LGD”) requests proposals from qualified firms to provide professional audit services for the LGD and review engagement services for the Controlled Entities. **The proposal will cover the fiscal period from January 1, 2018 to December 31, 2021 inclusive and is subject to the approval of Council. Council may award the audit services for the LGD 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 LGD 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 Resident Administrator 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 Local Government District of Pinawa 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 or electronic transmission.

BACKGROUND INFORMATION:

The LGD of Pinawa is located approximately 120 km NE of Winnipeg. The LGD office is located at 36 Burrows in the community of Pinawa, with all administrative staff work being done out of this office.

The LGD is governed by a five member Council.

An organizational chart is attached which includes the number and categories of employees.

The LGD has a December 31st year-end.

The LGD operates with one (1) current bank account and holds one (1) reserve fund account. The General Operating Fund currently operates a water and sewer utility for the community of Pinawa which is funded through rates approved by the Public Utilities Board. The 2018 annual combined municipal and school operating budget is \$4.7 million.

The LGD of Pinawa uses Muniware accounting software for Tax, A/P, A/R, G/L and payroll.

A copy of our audited 2015 financial statement and 2018 budget are attached. At this time, our 2016, and 2017 audits have not been completed but they are expected to be completed by the end of 2018.

Other boards or committees established or appointed by the council that administer funds of the LGD and also require an independent audit in conjunction with the LGD of Pinawa include:

- Pinawa Public Library
- Pinawa Arena Board
- Pinawa Community Development Corporation
- Pinawa Housing Corporation
- W.B. Lewis Business Center Incorporated

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 LGD annual audit financial statements.

Information about the Controlled Entities to be supplied on request.

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.

For more information relating to the request for proposal, please contact Crystal Stanley, Accountant for the LGD of Pinawa.

Crystal Stanley
Accountant
Phone: (204) 753-5102
Fax: (204) 753-2770
Email: accountant@pinawa.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 LGD.

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 LGD 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 LGD.
- 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.

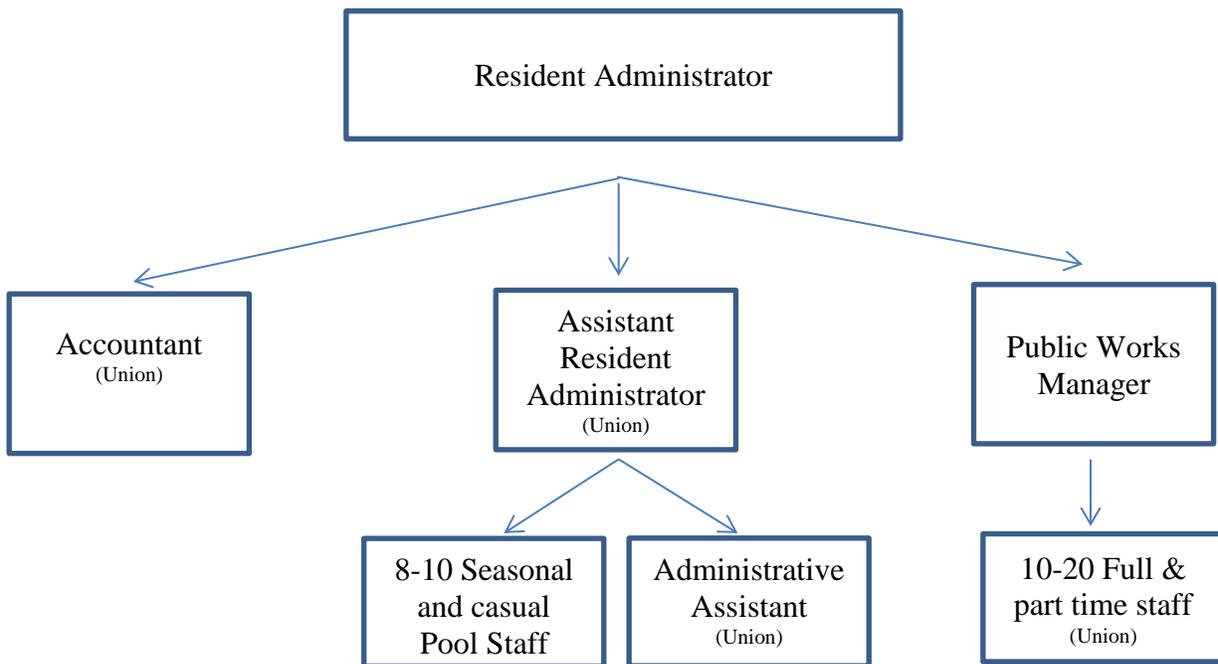
8. Additional Data

- 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 LGD 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 LGD 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.

ORGANIZATIONAL CHART
LGD of PINAWA



*Union – The International Association of Machinists and Aerospace Workers, Whiteshell Lodge No. 608