

# Lower Thames Valley Conservation Authority

## REQUEST FOR QUOTES AUDIT SERVICES

### I. INTRODUCTION

#### A. General Information

The Lower Thames Valley Conservation Authority (LTVCA) is requesting quotes from licensed certified public accountant firms to audit its financial statements for the fiscal year ending December 31, 2019, with the option of auditing its financial statements for the subsequent four (4) fiscal years. These audits are to be performed in accordance with the provisions included in this request for proposal including the Generally Accepted Auditing Principles, PSAB, Generally Accepted Accounting Principles and Financial Reporting for Conservation Authorities in Ontario.

To be considered, quotes must be received by Todd Casier, Financial Services Supervisor at 100 Thames Street, Chatham, ON, N7L 2Y8 by 12:00 noon, May 31<sup>st</sup>, 2019. The LTVCA reserves the right to reject any or all proposals submitted.

The LTVCA reserves the right, where it may serve the Authority's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the LTVCA, firms submitting quotes may be requested to make oral presentations as part of the evaluation process.

Submission of the quote indicates acceptance by the firm of the conditions contained in this request for quotes, unless clearly and specifically noted in the quote submitted and confirmed in the contract between the LTVCA and the firm selected.

It is anticipated the selection of a firm will be completed by June 07, 2019. Following the notification of the selected firm it is expected a contract will be executed between both parties by September 22, 2019 upon Board appointment of Auditors.

### II. NATURE OF SERVICES REQUIRED

#### A. Scope of Work to be Performed

The auditor will express an opinion on the presentation of LTVCA financial statements in conformity with appropriate generally accepted accounting principles.

The financial audit will involve all the LTVCA's funds and accounts.

#### B. Auditing Standards

To meet the requirements of this request for quote, the audit shall be performed in accordance with generally accepted auditing standards, and generally accepting accounting principles and other pertinent legislation, regulation and guidelines, applicable to Conservation Authorities in Ontario.

#### C. Reports

The auditor shall submit to the LTVCA Board the following reports, with copies of each for transmittal to other bodies as required:

1. Independent Auditors Report on financial statements, for the LTVCA.
2. A management letter, with appropriate recommendations, commenting on material weaknesses in internal accounting control, reportable conditions, and identifying possible noncompliance with finance related legal provisions
3. Irregularities and illegal acts. Auditors are required to make an immediate, report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties:
  - a. Board Chair
  - b. Chief Administrative Officer/Secretary-Treasurer

In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial statement. In Addition, the following conditions shall be considered reportable:

- Reportable conditions that are also material weaknesses shall be identified as such in the report
- Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the report(s) on internal controls
- The report on compliance shall include all material instances of noncompliance. All nonmaterial instances of noncompliance

shall be reported in a separate management letter, which shall be referred to in the report on compliance

A minimum of 3 original copies and a PDF file of each audit report are required.

D. Working Paper Retention and access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of seven (7) years, unless the firm is notified in writing by the Authority of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the Chief Administrative Officer/Secretary-Treasurer or Financial Services Supervisor of the Authority and in compliance with CPA Code of Professional Conduct.

In addition, the firm shall respond to the reasonable inquiries of successor Auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance in compliance with CPA Code of Professional Conduct.

E. Timing, Location, and Conduct of Audit Work

1. The Authority, expects to receive prior to November of each year, a list of schedules to be prepared and other items required for the audit or pre-audit.
2. Pre-closing, interim, tests and procedures shall be conducted at a mutually agreeable time.
3. The final onsite audit will be scheduled in January. The audit will be conducted on LTVCA premises. The LTVCA will provide space deemed adequate to efficiently conduct the audit.
4. The Draft Audited Financial Statements are presented to Management the first week in February.
5. The Auditor will present the LTVCA financial statement and management letter at the AGM scheduled the 3<sup>rd</sup> week in February. Location determined annually and within Watershed area.

### III. DESCRIPTION OF ROLES

#### A. Principal Contact

The auditors will report to the Chief Administrative Officer/Secretary-Treasurer and will receive information from the Financial Services Supervisor or a designated representative, who will coordinate the assistance to be provided by the Authority to the auditor.

### IV. QUOTE REQUIREMENTS

#### A. General Requirements

1. Inquiries concerning the request for quotes and the subject of the request for quotes must be made to:

Todd Casier, Financial Services Supervisor  
519-354-7310 Ext. 222

2. Submission of Quotes

The following material is required to be received by **May 31, 2019 at 12:00 noon (local time)** for a proposing firm to be considered:

- a. One copy addressed to the attention of Todd Casier to include the following:

- i. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement of why the firm believes itself to be the best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for sixty days.

- ii. Detailed Proposal, including the dollar cost bid, in a sealed envelope marked SEALED BID, Audit Services

## B. The Quote

### 1. General Requirements

The quote should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for quote requirements. As such, the substance of the quotes will carry more weight than their form or manner of presentation.

### 2. Other Information

The quote should address the following:

- Independence
- License to Practice in Ontario
- Firm Qualifications and Experience
- Partner, Supervisory and Staff Qualifications and Experience
- Similar Engagements with Other Government Entities
- Specific Audit Approach
- Identification of Anticipated Potential Audit Problems
- Total All-Inclusive Maximum Price
- In-Kind Services
- Rates by Partner, Specialist, Supervisory and Staff Level Times  
Hours Anticipated for Each
- Out-of-Pocket Expenses Included in the Total All-Inclusive  
Maximum Price
- Manner of Payment