



**REQUEST FOR PROPOSALS FOR  
PROFESSIONAL AUDIT SERVICES  
FOR THE YEARS 2023 - 2025**

**PROPOSALS CLOSE 12:00 PM LOCAL TIME**

**DATE: June 2, 2023**

EXCEPT WHERE EXTENDED BY ADDENDUM, PROPOSALS RECEIVED LATER THAN THE TIME STATED ABOVE WILL NOT BE ACCEPTED AND WILL BE RETURNED UNOPENED.

SUBMISSIONS MARKED:

“PROFESSIONAL AUDIT SERVICES 2023 - 2025”

MAY BE MADE TO:

Kat Bridgeman, CMMA  
Chief Administrative Officer  
Riverdale Municipality  
670 – 2<sup>nd</sup> Avenue  
PO Box 520  
Rivers, Manitoba R0K 1X0

- For the protection of all, a proposal by facsimile will not be accepted.



REQUEST FOR PROPOSAL  
TO PROVIDE  
PROFESSIONAL AUDIT SERVICES  
FOR THE YEARS 2023 - 2025

Kat Bridgeman, CMMA  
Chief Administrative Officer  
Riverdale Municipality  
670 – 2<sup>nd</sup> Avenue  
PO Box 520  
Rivers, Manitoba R0K 1X0

Email address: [cao@riverdalemb.ca](mailto:cao@riverdalemb.ca)

## **I. INTRODUCTION**

Riverdale Municipality requests proposals from qualified firms to provide professional audit services for the Municipality. **The proposal will cover the fiscal period from January 1, 2023 to December 31, 2025.** Audits 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.

Riverdale Municipality will not reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Proposals received become the property of Riverdale Municipality and will not be returned to the bidder.

To be considered, two (2) copies of a proposal must be received by Kat Bridgeman, Chief Administrative Officer, Riverdale Municipality, 670 – 2<sup>nd</sup> Avenue, Rivers, Manitoba R0K 1X0 by **12:00 P.M. Friday, June 2<sup>nd</sup>, 2023.** Riverdale Municipality reserves the right to reject any or all proposals submitted. An Audit Proposal Review Committee, comprised of the Chief Administrative Officer and Assistant Administrative Officer, will evaluate proposals submitted. The final determination to accept a specific proposal will be made by the Council of Riverdale Municipality.

## **II. SCOPE OF WORK**

Riverdale 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 the 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.

Riverdale Municipality has a December 31<sup>st</sup> year-end.

The auditor will be required to prepare general-purpose financial statements in accordance with generally accepted accounting principles for Manitoba municipalities which now complies with PSAB standards (as of January 1, 2009). This includes the conversion of the Financial Plan accounting practices used throughout the year by the Municipality to the PSAB reporting format required for the annual financial statements. Controlled entities are included to make up the consolidated annual financial statements.

In addition, the auditor must submit reports to the Province of Manitoba related to expenditures made by Riverdale Municipality for fuel tax grants.

Subsequent to completion of the year end audit, 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.

Prior to submission of the audited financial statements and supplementary report, the audit firm's staff are required to review the proposed audit opinion report and supplementary report with the Chief Administrative Officer.

The auditor will be required to present the annual audited financial statements to the Municipal Council not later than June 30 in the year following the year for which the audit is prepared, as per Section 190 of The Municipal Act.

### **III. RIVERDALE MUNICIPALITY PROFILE**

#### **A. GENERAL INFORMATION**

- (a) Riverdale Municipality, created by the amalgamation of the RM of Daly and the Town of Rivers, has a population of 2,139, and is governed locally by a 7 member Council. The Municipality's administration office is located in Rivers, Manitoba. There is a Chief Administrative Officer who reports directly to the municipal council. Reporting to the CAO are four department heads.
- (b) The 2022 annual operating budget was approx. \$4 million for general operating.
- (c) The Municipality has 2 utilities: Rivers Utility has approximately 400 active accounts, billed monthly; and a Rural waterline (water purchased from the RM of Wallace-Woodworth), billed quarterly.
- (d) The Municipality uses the Munisoft accounting software.
- (e) Copies of the audited financial statement for 2022 has not been completed. Copies of 2020 & 2021 statements available on request, please contact Kat Bridgeman, CAO at 204-328-5300.
- (f) A copy of the 2023 mill rate by-law and financial plan is available upon request
- (g) Controlled Entities that are to be included in the annual financial statements are: Midwest Weed District, Prairie Crocus Regional Library, Rivers Daly CDC, Rivers Handi-van Committee, Riverdale Recreation Commission, and Rivers Recreation Facility Review Committee. Separate financial statements are received by the Municipality from these entities to assist in preparing the Municipality's annual consolidated financial statements.

**B. STATISTICS**

(a)	Payroll full summer compliment	26
(b)	General Fund Budget	\$4,001,288.77
(c)	Education	\$1,628,403.99
(d)	Rivers Utility Fund Budget	\$ 921,150.00
(e)	Rural Utility Fund Budget	\$ 44,100.00

**IV. OTHER SERVICES**

The auditors may be requested to provide accounting and financial services on a fee for service basis and provide recommendations to Riverdale Municipality management. Please include your hourly rate by staff classification in your quote.

**V. PROPOSAL REQUIREMENTS – Information Requested from the Auditor**

**Submission of Proposals**

**The following represents the format in which all proposals must be submitted:**

1. Title Page  
Name of firm, local address, telephone number, contact person, date of proposal.
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.

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly registered to practise in Manitoba and meet the qualifications set out in subsection 184(5) of The Municipal Act.

4. Letter of Transmittal

A signed letter briefly stating the proposer’s understanding of the work to be done, the commitment to perform the work within the required time frames, a statement why the proposing firm believes itself to be best qualified to perform the engagement, and that the proposal is a firm and irrevocable offer.

5. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm’s governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the staff to be employed in this engagement.

6. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff who would be assigned to the engagement and indicate whether each such person is registered to practice in Manitoba. The firm should also provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible regarding the number, qualifications, experience and training, of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of staff will be assured over the term of the agreement. Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. Riverdale Municipality retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer, provided that replacements have substantially the same or better qualifications or experience.

7. Similar Engagements with Other Government Entities

For the firm’s office that will be assigned responsibility for the audit, list the most significant engagements (maximum 5) performed in the last five years that are similar to the engagement described in this Request for Proposals. These engagements should be ranked on the basis of total staff hours.

8. Specific Audit Approach

The proposal should set forth a work plan, including the explanation of the audit methodology to be followed, to perform the services required in Section II of this Request for Proposals.

Proposals will be required to provide the following information on their audit approach:

- (1) Proposed segmentation of the engagement;
- (2) Level of staff and number of hours to be assigned to each proposed segment of the engagement;
- (3) Sample sizes and the extent to which statistical sampling is to be used in the engagement;
- (4) Extent of use of software in the engagement;
- (5) Type and extent of analytical procedures to be used in the engagement.
- (6) Approach to be taken to gain and document an understanding of Riverdale Municipality's internal control structure;
- (7) Approach to be taken in determining laws and regulations that will be subject to audit test work;
- (8) Approach to be taken in drawing audit samples for purposes of tests of compliance.

9. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from Riverdale Municipality.

10. Timelines

**The final completed financial statements must be received by the Riverdale Municipality on or before June 15th of the year following the year being audited and all fieldwork must be completed on or before May 15<sup>th</sup> of that year.** Year-end working papers provided by the Municipality will be completed no later than March 31<sup>st</sup> 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.

11. Total All-inclusive Maximum Price

The sealed dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this Request for Proposals. The annual total all-inclusive maximum price to be bid is to contain all direct and indirect costs, including all out-of-pocket expenses for each year.

VI. **PROPOSAL SUBMISSION**

The request for Proposal Submission shall be submitted in a sealed envelope. The envelope must be clearly marked “PROFESSIONAL AUDIT SERVICES 2023 – 2025” and with the Bidder’s name and address.

Request for Proposal Submissions shall be submitted not later than the Time and Date Set for Final Receipt of Bids.

Except where extended by Addendum, Request for Proposal Submissions received after the Time and Date Set for Final Receipt of Bids will not be accepted and will be returned unopened.

**Please note that bids submissions will not be accepted by facsimile transmission.**

VII. **EVALUATION PROCEDURES**

- a) The “Audit Proposal Review Committee” (the membership of which has been previously noted) will evaluate all proposals received. The evaluation process will rate each proposal according to the following criteria:
  - (a) Personnel experience and qualifications.
  - (b) Technical proposal and audit methodology.
  - (c) Dollar cost bid proposal.
- b) During the evaluation process, the committee may, at its discretion, request any firm to make an oral presentation. Such presentations will provide firms with an opportunity to answer any questions the Committee may have on a firm’s proposal. Not all firms may be asked to make such oral presentations.
- c) The Committee will recommend to the Municipal Council the firm to be selected for appointment as Auditor. However, Municipal Council has the sole authority to make the appointment.

It is anticipated that a firm will be selected by **June 20, 2023**. Following notification of the firm selected, it is expected a contract will be executed between both parties forthwith.

- d) Riverdale Municipality reserves the right to reject any or all proposals without prejudice.