



REQUEST FOR PROPOSAL

NWRFP-23-08

Financial Auditor Services

Closing Time:

Thursday, September 28, 2023
3:00 PM, Local Time, Vancouver BC

Closing Location:

upload to https://fileshare.newwestcity.ca/filedrop/purchasing_submissions

Further requests for information :

Purchasing: Patrick Shannon, SCMP
Purchasing Manager

Email: nwpurchasing@newwestcity.ca

PROPONENT NAME		
Street Address:		
City Province Postal Code		
Contact Name:		
Telephone number:		Fax:
Email		Date:
Signature: by authorized signatory		

By my signature above, it shall be understood that I have read, understood and accept the requirements outlined in the Request for Proposal; we hereby propose to supply the Services in accordance with the Request for Proposal and as outlined in this Form of Proposal.

CORPORATION OF THE CITY OF NEW WESTMINSTER

PART 1

RFP PROCESS & GENERAL REQUIREMENTS

1.0 GENERAL INFORMATION

- 1.1** The City of New Westminster is seeking a qualified auditing firm to conduct an audit on City's annual financial statements. Refer to Part 2 – BUSINESS REQUIREMENTS for an in-depth scope of work.
- 1.2** This is a request for proposals, and not a call for tenders or request for offers and no contractual obligations shall arise between the City and a Proponent upon the Proponent's submission of a Proposal to the City.
- 1.3** The city, at its discretion, reserves the right to;
- a) select a Proposal that deviates from the requirements of this RFP;
 - b) modify this RFP at any time.
- 1.4** Proponents will be solely responsible for their own expenses incurred in connection with this RFP, including in preparing and submitting a Proposal and in any subsequent negotiations with the City.
- 1.5** This RFP shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- 1.6** The City reserves the right to negotiate with the lead Proponent deemed to provide the best overall value and such negotiations may include, but are not limited to:
- a) Changes to the requirements or Scope of Work proposed by the Proponent;
 - b) Price; and
 - c) Specific contract details as deemed reasonable for negotiations by the City.

2.0 PROPOSAL INSTRUCTIONS

- 2.1** Proposals should be submitted electronically in one (1) Adobe (PDF) file with Subject "NWRFP-23-08 Submission" in the Subject to https://fileshare.newwestcity.ca/filedrop/purchasing_submissions
- 2.2** The City will receive Proposals at the location and time indicated on the title page of this Request for Proposal.
- 2.3** It is the Proponent's responsibility to ensure that the City receives its Proposal prior to the closing time indicated on the title page of this Request for Proposal. The City does not accept facsimile or other unsealed Proposals.
- 2.4** Requests for clarification or further information must be made in writing only to the individual identified on the first page of this RFP. The City intends to respond to enquiries that it, in its sole discretion, considers relevant to this RFP. The City intends to respond only to those relevant written enquiries received at least ninety-six (96) hours prior to the closing time. The City will record enquiries and post written responses on its website at <https://www.newwestcity.ca/business-and-economy/doing-business-with-the-city/request-for-bids-and-proposals-open>

CORPORATION OF THE CITY OF NEW WESTMINSTER

3.0 CONTRACT REQUIREMENTS

3.1 The City expects that any Agreement with the selected Proponent will be for an initial term of one (1) year with four (4) optional one (1) year renewal terms at the sole discretion of the City.

4.0 OWNERSHIP OF PROPOSALS AND FREEDOM OF INFORMATION

4.1 All documents submitted with your Proposal will become the property of the City, and as such shall be subject to the disclosure provisions of the *BC Freedom of Information and Protection of Privacy Act (FOIPPA)* and *Community Charter*. A Proponent may stipulate in their Proposal that a portion(s) of their Proposal that contains confidential information and is supplied to the City in confidence. However, under FOIPPA, the City may nevertheless be obligated to disclose all or part of a Proposal in response to a request made under the Act, even if the Proponent has stipulated that part of their Proposal is supplied in confidence. The Proponent should review Section 21 and other provisions of FOIPPA in order to gain a better understanding of the City's disclosure responsibilities under the Act.

5.0 INSURANCE, PERMITS AND LICENSES

5.1 The successful Proponent will, without limiting its obligations or liabilities and at its own expense, provide and maintain throughout the Contract term, the following insurance with insurers licensed in British Columbia in forms acceptable to the City:

- a) Commercial General Liability Insurance protecting the City, for an amount of five million dollars (\$5,000,000) naming the City as additional insured;

5.2 The successful Proponent may be required to obtain a City of New Westminster or MetroWest Inter-Municipal Business license prior to commencement of work.

6.0 LIVING WAGE EMPLOYER

6.1 Effective January 1, 2011, the City of New Westminster became a "Living Wage Employer". As such, the City has established a [Living Wage Policy](#) that requires all firms that are contracted by the City to provide services on City premises, to pay their employees, who perform said service on City property, a Living Wage as calculated by the Living Wage for Families Campaign. The current living wage rate for Metro Vancouver is \$24.08 per hour, assuming the employer provides no benefits.

6.2 In order to determine an employee's hourly rate with benefits the Living Wage for Families has created a Living Wage Calculator to assist with this determination. Please access the following website to determine your compatibility.
http://www.livingwageforfamilies.ca/living_wage_calculator

6.3 The City includes in all its competitive bid documents a Declaration referencing the City's expectations with regards to compliance of the Policy (attached as Appendix A). **Completion and submission of the Declaration is required prior to Contract award.**

6.4 In evaluating submissions, the City intends to rely on the Declaration provided by a Respondent and shall have no obligation or duty to investigate the truthfulness of the Declaration. Please review the City's [Living Wage Page](#) for further information.

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7.0 EVALUATION AND SELECTION PROCESS

- 7.1 The City will evaluate all submitted valid Proposals. The City will not necessarily accept any or all Proposals. The object of the evaluation and selection process is to identify the Proposal that, in the City's opinion offers the best value for the services requested.
- 7.2 The City will evaluate the requirements and only those deemed by the City to have the right experience/capabilities/methodology etc. will have their price evaluated.
- 7.3 The City intends to evaluate Proposals based on the following criteria and weighting:

Evaluation Criteria	Weighting
Schedule of Prices	15%
Company Profile (not evaluated)	
Employee Capabilities and Experiences	30%
Organization Capabilities and Experiences	30%
Business Processes	15%
Value Add	5%
Social and Sustainability	5%
References	Pass/Fail
Total	100

- 7.4 The City, at its discretion, may request any or all of the Proponents to present their proposals and/or interview with the Selection Committee. Note that any information provided by Proponents in their proposals or discussed in presentations/interviews may be incorporated into any Contract with the Proponent.
- 7.5 The City advises all Proponents that the process for evaluation/interview and finalizing the lead/winning proponent may take 2 – 3 months.

8.0 NEGOTIATIONS

- 8.1 The award of a contract may be subject to negotiations with the lead Proponent that is deemed to provide the best value to the City. Such negotiations include, but not limited to, the following:
- a) Changes to the requirements or Scope of Work proposed by the Proponent
 - b) Price; and
 - c) Specific contract details as deemed reasonable for negotiations by the City
- 8.2 If a written contract cannot be negotiated within fourteen (14) days of notification with the lead Proponent, the City may, at its discretion at any time thereafter, terminate negotiations with the lead Proponent and either enter into negotiations with the next qualified Proponent or cancel the RFP or negotiate with another supplier.



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PART 2

BUSINESS REQUIREMENTS AND SCOPE OF WORK

CORPORATION OF THE CITY OF NEW WESTMINSTER

1.0 **BACKGROUND**

- 1.1 The City of New Westminster (“City”) is a municipal government located centrally within Metro Vancouver. As such, the City is required to appoint a municipal auditor as per Section 169 of the Community Charter.
- 1.2 The City’s Finance Department requests proposals from interested, qualified firms for professional services to audit the City’s annual financial statements, and provide further financial advice and guidance.
- 1.3 The City’s fiscal year runs from January 1 to December 31. The successful proponent is required to complete the field audit before the end of March, with the audit report and financial statements by middle of April each year.

2.0 **BUSINESS REQUIREMENTS & SUMMARY OF WORK**

- 2.1 This is the main part of the RFP; here you provide as much information as would be relevant for this RFP. Be as detailed as the industry requires so they have a complete understanding of what we are trying to achieve with this RFP.
- 2.2 It can be a few paragraphs to several pages.

3.0 **SUBMISSION REQUIREMENTS**

- 3.1 Proposals should be concise and directed to the requirements of this RFP. All proposals must include and clearly identify:
- a) **Cover Page:** Front page of this RFP with the required Proponent information filled out and signed.
 - b) **Submission Document:** See Appendix C Submission Document, this contains the questions that requires a response.
 - 1) Review each question and answer in the space provided.
 - 2) Do not change the font size or layout.
 - 3) Be aware of any page or paragraph limits related to a question.
 - 4) Be succinct and precise in your answers.
 - 5) All answers should be relevant to this RFP.
 - 6) Attach all appendices (if applicable) to the back and submit as one (1) PDF document. The City will accept multiple PDF documents but each document must be clearly labelled.
 - c) **Living Wage Declaration:** As per Part 1, section 6.



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APPENDIX A

DECLARATION – LIVING WAGE EMPLOYER

CORPORATION OF THE CITY OF NEW WESTMINSTER



DECLARATION – LIVING WAGE EMPLOYER

I, _____ as a duly authorized signing officer of

Company: _____

Address: _____

_____, confirm that all employees and sub-contractors under our contract with the City as outlined below, are paid not less than the “Living Wage” as calculated by the Living Wage for Families Campaign.

I understand that this requirement extends only to those employees and sub-contractors’ employees that perform work while on City premises and property for durations in excess of one continuous hour per occasion.

I understand that the City will conduct audits if and when notification of breach of this compliance is received by the City. I understand that in the event any breach of this declaration is found to be true, the City reserves the right to cancel its contract without penalty at any time once said authentication of the breach is made.

Contract Name: _____

Authorized Signatory:

Dated:

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APPENDIX B

BUSINESS REQUIREMENT AND SUMMARY OF WORK

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On the following pages additional information on the City and the expected deliverables from the success auditing firm. Prior to signing any agreement the City and firm will finalize all details into a Statement of Work.

1.0 **TERMS OF REFERENCE**

1.1 The City of New Westminster, population 80,000 approximately, has budgeted revenues of approximately \$301 million and operating expenses of \$235 million for 2023.

1.2 The City Provides the following services to its citizens:

- Police Services
- Fire and Rescue Services
- Parks, Culture and Recreation
- Engineering and Public Works
- Electrical Utility
- Public Library
- Planning and Development

1.3 The City has a total budgeted payroll of \$110 million covering approximately 1400 full, part time and auxiliary employees.

1.4 The City is organized into 11 departments. The accounting and financial reporting functions of the City are centralized at 511 Royal Avenue, City Hall.

1.5 **Fund Structure** – The City uses the following fund types and account groups in its financial reporting.

Fund Type	Segregated in GL	Separate Working Papers	Included in Annual Audited Financial Statements
Consolidated Statement of Operations	No	No	Yes
Consolidated Statement of Change in Net Financial Assets	No	No	Yes
Consolidated Statement of Cashflows	No	No	Yes
General Fund	Yes	Yes	No
Electrical Utility Fund	Yes	Yes	No
Water Utility Fund	Yes	Yes	No
Sewer Utility Fund	Yes	Yes	No
Solid Waste Fund	Yes	Yes	No

1.6 **Pension Plans** – The City participates in the Municipal Pension Plan, a jointly trusted pension plan. The plan is a multi-employer contributory defined benefit pension plan.

1.7 **Magnitude of Finance Operations** – The Finance Department is headed by the CFO/Director of Finance consists of 36 employees. The principal functions performed and the number of employees assigned to each is as follows:

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Function	Number of Employees
Administration	3
Financial Services	9
Purchasing	10
Taxes and Utilities Billing and Collection	14

1.8 Computer Systems: Hardware

- The City's computer network consists of Windows servers, and SQL data base servers.

1.9 Computer Systems: Software

Some of the software programs that related to the processing of financial information are:

Make	Applications
Oracle JD Edwards 9.2	General Ledger, Accounts Payable, Accounts Receivable, Budgeting, Procurement, Inventory Management, Payroll, Fixed Assets, Human Resource Management, Maintenance Management
Kronos	Timekeeping and Scheduling
Vertex Payroll Tax	Integration with JD Edwards for extraction of financial
Tempest	Cash and payment processing, Property Taxes, Water, Sewer & Solid Waste Billing, Parking & Municipal Ticketing, Animal and Business Licenses
NorthStar	Electrical Utility Billing and Collection
Class	Parks and Recreation facility booking, Program Registration and Membership, Cash and payment Processing
Ungerboeck	Anvil Centre event reservation and financial software
Scotia Connect	For sending PAP files from Electrical billing system to Bank.
details Online (BMO)	Internet based purchasing card transaction processing

2.0 SCOPE OF WORK

- 2.1** In compliance with the *Community Charter*, Council will appoint an auditor (or audit firm) for audit services. However, other firms may be used for other professional services if it is deemed more advantageous or appropriate to do so. The City, therefore, expressly reserves the right, at its sole discretion, to use other professional services firms.
- 2.2** In the event that the audit services are awarded to an audit firm other than the firm currently handling the City's audit needs, then the newly appointed audit firm will commence its involvement with the City, and shall use its best efforts to secure copies of such files and documentation from the past audit firm as it deems necessary to commence, perform and complete audit services.
- 2.3** The range of audit services required to be performed by the successful Proponent shall include, but not be limited to the following:

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- a) Performing an annual audit in accordance with generally accepted auditing standards and the provisions of the *Community Charter*, which shall include advice on internal controls and procedures;
- b) An audit opinion on the consolidated financial statements;
- c) Attending meetings with City staff and officials for the planning and review of both the audit processes and financial statements;
- d) Responding to, and discussing with, City staff and officials accounting, auditing and tax issues arising during the contracted period of audit services;
- e) Recognizing and responding to the City's commitment to be on the forefront of business practices and technology, and providing advice and assistance in areas such as:
 - Implementation of PSAB principles
 - Implementation of internal controls
 - Business process re-engineering
 - GST

2.4 Assistance to be Provided to the Auditor

1. Finance Department: Financial Services division staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City. Staff will perform the following functions for annual audit purposes:
 - a) Preparation of the year-end working papers,
 - b) Preparation of the financial statements including all related schedules and notes,
 - c) Arrangement of audit confirmations to banks, lawyer and other entities as required upon receipt of forms from auditors,
 - d) Preparation of the Provincial Financial Reporting forms.
2. Electronic Data Processing (EDP) Assistance: Staff from the Information Technology Division will be available to assist the successful Proponent in performing the engagement. IT personnel will also be available to provide systems documentation and explanations. The auditor will be provided computer time and the use of the City's computer hardware and software in the form of a network account and access to necessary programs relevant to the City's financial information.
3. Work Area, Telephones, Photocopying and Fax Machines: The City will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to a single telephone line, photocopying facilities and fax machines on an as needed basis

2.5 The successful Proponent would be expected to perform an interim audit in November / December each year and the final audit completed in March / April the subsequent year. The audited financial statements of the City must be submitted to the Ministry of Municipal Affairs by May 15th each year. See Section 9.1 for greater clarity on expected task timelines.

2.6 The successful Proponent may be required to make formal and informal presentations to Council and / or senior staff, as required. Costs associated with providing this service shall be considered included in the overall price, unless stated in the Proposal as a separate item, attracting a separate unit cost.

3.0 MATERIALS AVAILABLE TO PROPONENTS

3.1 Detailed information on the City of New Westminster and its finances can be found in:

CORPORATION OF THE CITY OF NEW WESTMINSTER

- 2022 Annual Report
- 2022 Statement of Financial Information
- 2023 - 2027 Financial Plan

The above documents are available on the City's website at
https://www.newwestcity.ca/city_hall/finance-taxes-and-budgets/financial-reporting

- 3.2 The City will make prior years' working papers available to Proponents to aid their response to this RFP. Interested Proponents should contact Purchasing at nwpurchasing@newwestcity.ca

4.0 SCHEDULE

- 4.1 The following are key audit dates.

Dates	Key Tasks
October	Audit planning meeting, detailed requirements of working papers and audit requirements to be prepared by the City for the interim audit.
November	Interim audit, detailed listing of working papers to be prepared by the City for the year-end audit.
December	Listing of required audit confirmations and templates to be prepared by the City.
February	Commencement of year-end field audit.
Mid-March	Consultant's Audit Report and Management Letter.
By March 31st	Present audited financial statements to City Council.
May 15th	Audited financial statements submitted by the City to the Minister of Community, Sport and Cultural Development.