



RFP – AUDIT SERVICES

JUNE 1, 2017
NORTHLAND SCHOOL DIVISION NO.61
June 30, 2017

Northland School Division No. 61 is inviting proposals from interested CPA firms to provide audit and assurance services for the year ended August 31, 2017 and future years.

Northland School Division serves approximately 2700 students residing in the northern half of Alberta, with 24 schools. Approximately 43% of the students live on reserves and are funded on a cost-recovery basis as per the Tuition Agreements between the corresponding Bands and the Division. The remaining students are funded by the Province of Alberta, as per the Alberta Education funding manual. The Division employs approximately 500 staff and has an operating budget of approximately \$65 million.

Additional information about the Division can be found on our website www.nsd61.ca including copies of the August 31, 2016 Audited Financial Statements and the 2016-2017 budget.

Eligibility

The firm must demonstrate an ability to carry out the audit to full professional standards, in conformity with provincial requirements and Board expectations.

Scope of Work

The responsibilities of the auditors will generally be limited to the expression of an opinion on the financial statements and discussions with respect to presentation and disclosure. This includes both the financial statements for Northland School Division No. 61 and the Schedule of Net Operating Costs for Athabasca Delta Community School. Completion of the audit work will include audit procedures regarding the federal calculation and the Tuition Agreements. This will not include accounting work, physical preparation of financial statements, schedules, working papers, or any other non-audit responsibilities. Should these be required, they will be discussed separately from the formal audit of the Board's activities.

Additional services include an audit of our Local Authorities Pension Plan (LAPP) return every three years. The next audit of the LAPP return will be for the 2018 calendar year and will need to be submitted to LAPP by June 30, 2019. Also required is an annual letter to Alberta Education confirming the financial management of the Fort McMurray Allowance funding.

Term of appointment will be for three years with a provision for a two year extension, subject to satisfactory service.

Requirements

Prior to the commencement of the audit, the auditors will discuss with the Secretary Treasurer and Division staff members key activities, timelines and critical dates. The schedule will be developed to ensure the submission of the audited Financial Statements for the year concerned by November 30th, or such earlier deadline as set by Alberta Education. An entrance meeting will then be held with the auditors, the Board, and Division management to discuss the audit approach, scope and timelines.

During the audit, the auditor shall immediately inform and discuss matters with the Secretary Treasurer which would otherwise lead to the inclusion of a statement of qualification with respect to the financial statements. A reasonable time for the Division staff to investigate, analyze, and correct such matters shall be provided to avoid the inclusion of such qualifications.

Audited Financial Statements and related documents shall be delivered to the Board by the deadlines set out in the annual schedule. The auditors will attend an Exit meeting to discuss the audit findings and will provide

information to enhance the Board members' understanding of matters pertaining to the statements and the audit process.

The auditors shall prepare and deliver to the Management of the Division letters conveying the concerns relative to the internal accounting controls, operating controls, and other matters of material importance with respect to operations which may have been discovered during the course of the audit.

Proposal Information

Proposals should include the following information:

- Firm name, address, and contact person
- Experience in auditing and in auditing School Boards or similar entities
- Proposed audit fees for five years
- An estimate of the hours that are anticipated to be required for the annual audit, broken down between the categories of staff
- An estimate of the hours that are anticipated to be required for the 2018 audit of the LAPP return
- A profile of the senior staff to be assigned
- At least 1 relevant client reference that we can contact
- Any other information you wish to present.

Closing Date

Proposals are to be received by the Secretary Treasurer no later than June 30, 2017 by 2:00pm Local time. Opening will follow at 2:30 pm local time at 9809-77 Avenue in Peace River, Alberta.

The lowest proposal will not necessarily be accepted. The Board reserves the right to request additional information from firms and to decline any or all proposals made. RFP Package available on the Northland School Division No.61 website at nsd61.ca/ and the Alberta Purchasing Connection website at www.purchasingconnection.ca/

Submissions must be made via email, courier or mail. Please quote on envelope or subject line **"RFP Audit Services"**

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Attn: Trudy Rasmuson, Secretary Treasurer

P.O. Bag 1400

9809-77 Avenue

Peace River, Alberta T8S 1V2

780-624-2060

Trudy.Rasmuson@nsd61.ca

Any questions or additional information regarding Northland School Division No. 61 may be addressed to the Secretary Treasurer.

Proposals for External Audit Services

Evaluation Matrix

Proponent:

Criteria	Maximum	Firm's Score	Comment
<p>Mandatory Criteria: Cover letter completed and signed by person authorized to bind the proponent to statements made in the submission. Proposals must be received at the closing location by the specified closing date and time.</p>			
<p>Point Rated Criteria:</p>			
<p>1. Understanding of Engagement/Proposal - Demonstration of full understanding of Division structure and governance</p>	5		
<p>2. Experience with School Division Audits - School Division auditing experience - Northland School Division auditing experience - Knowledge of information systems used by the Division</p>	10		
<p>3. Personnel - Technical experience of the firm in performing public sector audits and experience with organizations of a similar size and complexity - Experience and qualification of audit</p>	10		
<p>4. Audit Implementation - Statement of full understanding of the audit objectives and overall scope of work to be performed - Audit plan including number of person-hours anticipated to perform the services, for the five years - Approach used to gain an understanding of the Division structure and operations - Quality of the proposal in terms of methodology and approach to the audit, including a description of substantive and compliance testing,</p>	30		

5. Additional Services - Accounting firm's ability to provide additional services such as PSAB advice, GST advice, completion of LAPP audit	5		
6. References	10		
7. Audit Fee The proposed fees for each of the five year term which are to be shown exclusive of GST and include: - professional fees of audit and support staff based on person-hours - estimated disbursements and administrative fees - applicable rate for additional services requested	30		