

# REQUEST FOR PROPOSAL

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## COMMUNITY FUTURES GRENVILLE

is seeking the services of a firm of public accountants to perform an **audit** of its financial statements.

## Terms of Reference

### 1. BACKGROUND

**Community Futures Grenville (CF Grenville)** is an incorporated, community-based not-for-profit organization funded primarily by the Federal Economic Development Agency for Southern Ontario (FedDev) to invest in jobs, businesses, and community innovation in Grenville County. CF Grenville provides business loans; business advice; community economic development services; and funding support for community development projects. CF Grenville is managed by a team of three business professionals who report to a volunteer Board of Directors comprised of eleven local community and business leaders and entrepreneurs. Business loans up to \$300,000 are available to support business start-ups and growth in Grenville County.

CF Grenville has operated in Grenville County since 1990 and serves the Municipality of North Grenville, the Town of Prescott and the Townships of Augusta and Edwardsburgh Cardinal. The office is located at 197 Water Street, Suite 405, Prescott, Ontario, K0E 1T0, 613-925-4275, [info@cfgrenville.ca](mailto:info@cfgrenville.ca), [www.cfgrenville.ca](http://www.cfgrenville.ca).

CF Grenville's fiscal year end is March 31. CF Grenville uses the fund accounting method of accounting for contributions. It manages and controls assets totaling over \$11 million. The primary sources of operating funds are FedDev contributions. CF Grenville operates the General Fund (operating), the Investment Fund (loans), and a Board Fund (internally restricted fund).

### 2. AUDIT ENGAGEMENT

The audit engagement will be for the purposes of auditing the financial statements of CF Grenville for its fiscal year ending March 31, 2025 (with the possibility of renewal of the engagement for up to a further 4 years), and specifically to:

- Provide an opinion on the Corporation's financial statements;
- Provide an opinion on compliance with other legislative and related authorities in effect at the time of the audit (such authorities include but not are limited to legislation, regulations, corporate bylaws and other significant agreements);
- Prepare federal and provincial income tax returns.

### **3. DETAILED DESCRIPTION OF AUDIT WORK**

The audit must be conducted in accordance with:

- Canadian generally accepted auditing standards *and*
- FedDev Contribution Agreements for the Community Futures Program.

The audit work involved includes:

- An evaluation of internal controls;
- Preparation of adjusting entries;
- Preparation and audit of year-end statement of financial position, statement of operations and changes in fund balances, and statement of cash flows;
- Preparation of the Independent Auditor's Report;
- Preparation of the Audit Findings Letter;
- Preparation of a Report on Compliance with legislative and related authorities;
- Presentation of year-end audited financial statements, Independent Auditor's Report, Audit Findings Letter, and Report on Compliance to the Corporation's management, the Board of Directors, and possibly FedDev representatives, in advance of the Corporation's Annual Meeting;
- Presentation of year-end audited financial statements and Independent Auditor's Report at the Corporation's Annual Meeting;
- Completion of federal and provincial income tax returns;
- Provision of related financial advisory services from time to time, as may be required.

The auditor will be required to:

- Perform procedures to obtain audit evidence about the amounts and disclosures in the financial statements;
- Perform procedures to evaluate internal controls;
- Assess the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Corporation's management;
- Evaluate the overall presentation of financial statements;
- Report significant weaknesses to the Corporation's management and the Board of Directors;
- Report the discovery of any irregularities resulting from the audit to the Corporation's management and the Board of Directors.

### **4. MANAGEMENT OF THE AUDIT ENGAGEMENT**

Katie Nolan, CF Grenville Executive Director, will provide direction, clarification and review of matters pertaining to this request for proposal. Communications can be directed to 197 Water Street, Suite 405, Box 309, Prescott, ON, K0E 1T0, 613-925-4275 ext. 1, [katie@cfgrenville.ca](mailto:katie@cfgrenville.ca).

## **5. TIMING OF DELIVERABLES**

Emailed copies of the draft audited financial statements, Independent Auditor's Report, Audit Findings Letter, and Report on Compliance are to be provided to the Corporation's management by mid-June 2025 for management distribution to members of the Board of Directors.

A presentation of the draft year-end audited financial statements, Independent Auditor's Report, Audit Findings Letter, and Report on Compliance to the Corporation's management, the Board of Directors, and possibly FedDev representatives, is to be made by the auditor at a special meeting of the Board of Directors in June 2025.

Emailed copies of the final of year-end audited financial statements, Independent Auditor's Report, Audit Findings Letter, and Report on Compliance are to be provided to the Corporation's management and the Board of Directors in early August 2025 prior to the Corporation's Annual Meeting. Year-end audited financial statements and Independent Auditor's Report are to be presented by the auditor at the Annual Meeting in September 2025.

Federal and provincial income tax returns are to be completed in advance of the deadline for filing.

## **6. MANDATORY REQUIREMENTS OF PROPOSAL**

In order to receive consideration by CF Grenville, proposals must respond to the following mandatory requirements and must include the referenced Section/Page in the Bidder's proposal.

<b>RFP Ref.</b>	<b>Requirement (Bidder's proposal must contain the following information)</b>	<b>Referenced Section/Page in Bidder's Proposal</b>
6.1	Audit Team and Firm Experience: Overview of relevant experience auditing "without share capital corporations". Identification of staff assigned to the audit, their curricula vitae, and an outline of their responsibilities related to the audit. (Weighted Value: 25%)	
6.2	Client References: List of names and contact information for three of the firm's present audits who have agreed to serve as references. (Weighted Value: 5%)	
6.3	Audit Approach: Approach and methodology for the completion of Section 3 above. Communication process used to discuss issues with management and Board of Directors. (Weighted Value: 25%)	
6.4	Audit Fees: Full cost breakdown as per Section 7 below. (Weighted Value: 40%)	
6.5	Acceptance of Terms: Acceptance of terms as outlined in Section 3 to 5. (Weighted Value: 5%)	

## **7. BUDGET AND COST BREAKDOWN**

Proposals are to include the total cost of completing the 2024-2025 audit engagement and a detailed breakdown of all costs associated with the completion of the audit engagement, all related work, and all deliverables. The cost breakdown must specifically include:

- Schedule of hourly rates for each category of professional staff on the audit team;
- Estimate of hours anticipated to be required for the annual audit broken down between the required responsibilities, identifying the category of staff assigned to each responsibility, and calculating the annual audit fee;
- Schedule of hourly rates for each category of professional staff should additional work be requested of the firm;

and must identify other expenses separately such as:

- Travel costs;
- Shipping/delivery charges;
- Applicable taxes.

Proposals are to state whatever guarantees can be given regarding the total cost of completing audit engagements for up to a further 4 years.

## **8. SELECTION PROCESS AND TIMING**

An evaluation team of CF Grenville will review all proposals and evaluate them in relation to the mandatory requirements outlined in Section 6. Details of proposals will be disclosed to CF Grenville staff members and members of the Board of Directors during the selection process.

Bidders may be contacted and/or invited for interview with the evaluation team to provide clarification on their proposal. It is anticipated that the selection process will be completed on or before July 31, 2024. The successful candidate will be ratified at the Annual Meeting on September 20, 2024. Evaluation and selection shall be solely at the discretion of CF Grenville.

CF Grenville reserves the right to:

- Decline any or all proposals;
- Enter into negotiations with Bidders on any or all aspects of their proposal;
- Cancel and/or reissue this request for proposals at any time; *and*
- Retain all proposals submitted in response to this request for proposal.

The lowest or any proposal shall not necessarily be accepted.

## **9. CONFLICT OF INTEREST**

By submitting a bid, the Bidder represents that there is no conflict of interest such that the firm has met all of the following conditions:

- No owner or employee of the firm is in receipt of a loan, loan guarantee or equity investment from CF Grenville;
- No direct family member of an owner or employee of the firm is in receipt of a loan,

- loan guarantee or equity investment from CF Grenville;
- No owner or employee of the firm is a guarantor for a loan client of CF Grenville;
  - No direct family member of an owner or employee of the firm is a guarantor for a loan client of CF Grenville;
  - No owner or employee of the firm is involved in a business partnership that is in receipt of a loan, loan guarantee or equity investment from CF Grenville;
  - No direct family member of an owner or employee of the firm is involved in a business partnership that is in receipt of a loan, loan guarantee or equity investment from CF Grenville;
  - No owner or employee of the firm has a significant business interest in an incorporated business that is in receipt of a loan, loan guarantee or equity investment from CF Grenville;
  - No direct family member of an owner or employee has a significant business interest in an incorporated business that is in receipt of a loan, loan guarantee or equity investment from CF Grenville;
  - No current or former public servant or public office holder to whom the *Values and Ethics Code for the Public Service*, the *Values and Ethics Code for the Public Sector*, the *Policy on Conflict of Interest and Post-Employment* or the *Conflict of Interest Act* applies would derive direct benefit from acceptance of the bidder's proposal, including any employment, payments or gifts, unless the provision or receipt of such benefits is in compliance with such legislation codes. Where an employee of the Bidder is either a current or former (in the last twelve months) public office holder or public servant in the federal government, the Bidder shall disclose this in their bid and must demonstrate compliance with these codes and the legislation, if their proposal is selected.

"Direct family member" is defined as one or more of the following: parents, children, siblings, spouse. Spouse is defined as a partner, legal or otherwise who resides with an owner or employee of the firm.

"Significant business interest" is defined as the ownership, whether directly, indirectly or beneficially, of more than 10 per cent of the capital stock of the incorporated body, or shares or debentures to which are attached more than 10 per cent of the voting rights in the incorporated body.

## **10. PROPOSAL SUBMISSION REQUIREMENTS AND DEADLINE**

The proposal is to be submitted electronically to Katie Nolan, Executive Director, [katie@cfgrenville.ca](mailto:katie@cfgrenville.ca), by **4:00 p.m. on Friday, May 31, 2024**.

*All proposals submitted become the property of CF Grenville.*