



REQUEST FOR PROPOSALS TOWN OF BLACKFALDS AUDIT SERVICES

GENERAL BACKGROUND INFORMATION

The Town of Blackfalds is requesting written proposals for the Town's annual audit requirements. Blackfalds is located on Highway 2A between Red Deer and Lacombe and operates as a local government supplying services to the general public. It employs 31 full-time employees and 1 part time employee and has a registered population of 5610. The municipality performs our own census each year and has been experiencing tremendous growth in the last five.

Disbursement cheques average approximately 200 per month. Bank deposits are done daily. Payroll is completed within our computerized system and direct deposits are made bi-weekly. The Town receives the majority of its operating funds from municipal tax levies, provincial and federal grants, interest earned and sales of goods and services. Tax accounts number approximately 3282 and utility accounts number approximately 2080.

The Town manages several capital projects each year. In 2010/2011 the Town will be managing several extensive capital projects in regards to infrastructure upgrading and new construction.

The Town's 2009 audited financial statement is available on the Town's website (www.blackfalds.com) for further information. The year-end audit must be completed and the Financial Information Return must be submitted to the Province by May 1 of each year. For the last several years the Town has been prepared for full audit by mid February of the preceding year. The appointment will be for a three-year period commencing January 1, 2011 to December 31, 2013 with an option for renewal for another two-year period providing the parties agree on engagement terms. The consultant selected must qualify according to the Municipal Government Act.

SCOPE OF WORK

- The year end audit (year ending December 31) will examine all the financial aspects of the municipality, including the verification of assets, liabilities, receipts, payments, revenues, expenditures, reserves, surplus, tangible capital assets and their application in such detail as may be necessary as the circumstances for each individual case.
- The Town's Director of Corporate Services will prepare all major working papers to assist in your audit.

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- The auditor will render an opinion on the financial statements review of the internal control, prepare a management letter, and present the annual financial statements to Council.
- The auditor will ensure completeness of the financial statement as required by Provincial Legislation.
- The auditor will ensure completeness of the Financial Information Return as required by the Provincial Legislation.
- Day to day consultative services may be required outside of the scope of year-end audits.
- The auditor may be required to perform interim audit requirements at a time agreed by the Town.
- A payroll audit including Local Authorities Pension Plan requirements will be required in conjunction with the year-end audit.
- Maintain professional liability insurance in the amount of \$2,000,000.00 and Errors and Omissions insurance in the amount of \$1,000,000.00.

PROPOSAL CONTENT

- Introduction
- Detailed previous auditing experience of municipalities.
- Outline of the proposed services, scheduling and staff allocation.
- Portfolio of personnel to be assigned.
- Samples of work the firm has done in the past such as a Financial Information return and Financial Statement.
- Fee for audit services for the period January 1, 2010 to December 31, 2010, January 1, 2011 to December 31, 2011, January 1, 2012 to December 31, 2012 based on a lump sum payment after the completion of the financial statement and presentation to Council.
- Fees for additional accounting or consultative services outside the scope of the audit services tendered provided on an hourly rate.
- Criteria for any adjustments in fees that may be requested.

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PROOF OF INSURANCE

The consultant shall provide "Comprehensive General Liability Insurance" in the amount of not less than \$ 2,000,000.00 that shall name the Town harmless in any liable suits filed. The consultant shall also carry "Errors and Omissions Insurance" in the amount of not less than \$ 1,000,000.00 in the performance of professional services specified therein. Proof of such insurance shall be submitted to the Town forming part of the proposal.

SUBMISSION OF PROPOSAL

Proposals for "Audit Services" will be accepted no later than 4:30 p.m. on August 31, 2010 and are to be put in a sealed, marked envelope and addressed to:

Town of Blackfalds
ATTN: Donna Anderson, Director of Corporate Services
5018 Waghorn Street
P.O. Box 220
Blackfalds AB T0M 0J0
Telephone: 403-885-4677
Fax: 403-885-4610
e-mail: donna@blackfalds.com

The Town reserves the right to accept or reject any of all proposals and to waive irregularities and formalities at their discretion. The Town reserves the right to accept a tender other than the lowest tender without stating reasons. By the act of submitting its Proposal, the Tenderer waives any right to contest in any legal proceeding or action, the right of the Town to award the work to whomever it chooses, in its sole and unfettered discretion, and for whatever reasons the Town deems appropriate. Without limiting the generality of the foregoing, the Town may consider any other factor besides price and capability to perform the work that it deems in its sole discretion to be relevant to its decision including, but not limited to the following:

- a) Any past experience with the Tenderer or lack thereof
- b) The results of any reference check undertaken by the Town
- c) Information relating to the financial state of the Tenderer, however obtained

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EVALUATION OF PROPOSALS

All proposals received will be evaluated according to the following criteria:

Proposal Philosophy	10 %
Expertise and Experience	30 %
Project Team	30 %
Fees	30 %

Once the proposals have been evaluated and short-listed, the Town of Blackfalds may invite prospective firms to prepare a presentation for the Town.

Any questions may be directed to Donna Anderson, Director of Corporate Services, by telephone at 403-885-4677 or by fax at 403-885-4610.