



**Municipal Information Systems Association**

**Request for Proposal for Auditing Services  
January 17, 2012**

## 1. INTRODUCTION

The Municipal Information Systems Association of Ontario (MISA Ontario) invites proposals from qualified accounting firms for professional services to produce annual audited financial statements and supplementary financial information. The auditor will be responsible for the following:

- a) Performing an annual audit in accordance with generally accepted auditing standards (as defined by the Institute of Chartered Accountants of Ontario), which will include advice on internal control and related procedures.
- b) Attending meetings with MISA Ontario staff and the Audit & Finance Committee as required for establishing the audit process and planning, executing and reporting on the audit of the financial statements.
- c) Discussing with and advising MISA Ontario staff on accounting, auditing and tax issues that may arise during the year.
- d) Completing and filing annual tax returns on behalf of MISA Ontario.
- e) Issuing and submitting special reports in connection with statutory financial reporting to the Province and other established special arrangements.

The service period is for a 3-year term (2012 – 2014), beginning with the fiscal year ending on December 31, 2012. The appointment of the auditor is subject to the approval of the MISA Ontario Board of Directors.

In addition, the auditors will be asked to perform an annual audit and file tax return documents for MISA / ASIM Canada, the national body representing MISA chapters across Canada. It should be noted that the volume of transactions, invoices & cheques associated with MISA / ASIM Canada is significantly less than that of MISA Ontario. Details regarding transactions for both organizations are outlined in section 6 of this RFP. Costs associated with the MISA / ASIM Canada undertaking should be quoted separately.

## 2. INSTRUCTIONS TO RESPONDENTS

### 2.1 ENQUIRIES

All enquiries regarding this RFP must be made in writing and emailed to:

*Mr. David Laneville, Association Treasurer and  
Chair, Audit & Finance Committee  
MISA Ontario  
[davidl@timmins.ca](mailto:davidl@timmins.ca) with a copy to:*

*Ms. Alison Hermansen  
Executive Director  
MISA Ontario  
[alison.hermansen@misa.on.ca](mailto:alison.hermansen@misa.on.ca)*

Enquiries must be received no later than 5:00 PM EST on February 17, 2012.

## **2.2 RFP TIMELINES**

RFP recipients are required to notify MISA Ontario of their expression of interest in responding to the RFP by January 27, 2012. Recipients who express interest in responding to the RFP shall receive confidential copies of recent audited statements for MISA Ontario.

Enquiries and clarifying questions from interested respondents must be received no later than February 17, 2012.

All addenda and responses to questions shall be posted on the MISA Ontario website and sent via email to interested respondents by February 24, 2012. These documents will be posted at <http://misa.on.ca/en/aboutmisa/AuditorRFP2012.asp> . Only RFP recipients who have confirmed their expression of interest in responding to the RFP by January 27, 2012 shall receive addenda and responses to questions via email.

For evaluation purposes, proposals must be received by 5:00 PM EST on March 2, 2012. Proposals should be sent directly to Mr. Laneville with a copy to Ms. Hermansen at the email addresses noted above.

Proposals received after the official closing time will NOT be considered during the selection process. MISA Ontario is not responsible for submissions which are delivered to any other email address or physical location other than requested in this RFP.

## **2.3 ADDENDA**

If deemed necessary by MISA Ontario, responses to any questions and/or any additional information will be issued by the Association in the form of an Addendum, which shall form part of this RFP. No oral conversation will affect or modify the terms of this RFP or may be relied upon by any respondent.

All addenda shall be issued and posted to the MISA Ontario website at <http://misa.on.ca/en/aboutmisa/AuditorRFP2012.asp>. It is the responsibility of the respondent to review all addenda prior to the proposal submission deadline. Upon submitting a proposal, a respondent will be deemed to have received all addenda that have been issued.

## **2.4 CLARITY AND ORGANIZATION OF PROPOSALS**

Proposals should be complete, clear, consistent, well organized and legible to facilitate evaluation. All information requested in this RFP should be provided in your proposal.

### **3. GENERAL CONDITIONS**

#### **3.1 COST OF PROPOSAL**

Preparation and submission of a proposal in response to this RFP is voluntary and any costs associated with the proposal preparation, submission, meetings, negotiations or discussions with MISA Ontario are solely the responsibility of the respondent submitting the proposal.

#### **3.2 NO CLAIM**

MISA Ontario will not be liable to any respondent for any claims, whether for costs, expenses, losses or damages, or loss of anticipated profits, or for any other matter whatsoever, incurred by the respondent in preparing and submitting a proposal or participating in negotiations for a contract, or other activity related to or arising from this RFP. Except as expressly and specifically permitted in this RFP, no respondent shall have any claim for any compensation of any kind whatsoever, as a result of participating in this RFP, and by submitting a proposal, each respondent shall be deemed to have agreed that it has no claim.

#### **3.3 RESPONDENT'S QUALIFICATIONS**

In submitting a proposal, the respondent acknowledges and agrees that it has read, understood and agrees to all terms and conditions described in this RFP and that it has the necessary experience, skills and ability to effectively provide the services.

#### **3.4 ACCEPTANCE OF PROPOSAL**

MISA Ontario reserves the right to accept or reject any or all proposals received in response to this RFP. MISA Ontario reserves the right to conduct personal interviews with selected respondents and contact the references provided under section 4 of this RFP.

#### **3.5 WITHDRAWAL**

Respondents may withdraw their proposal at any time prior to acceptance.

#### **3.6 NO BINDING CONTRACT**

MISA Ontario may, after reviewing the proposals received, enter into discussions with one or more respondents, without such discussion in any way creating a binding contract between MISA Ontario and any respondent. There will be no binding agreement with MISA Ontario until a proposal has been presented to the MISA Ontario Audit & Finance Committee and subsequently been selected and approved by the MISA Ontario Board of Directors.

### **3.7 SOLICITATION OF MISA ONTARIO STAFF & VOLUNTEERS**

Prior to the closing date of this RFP, respondents should not establish contact with anyone inside the MISA Ontario organization regarding this RFP, other than the representatives identified in section 2.1 of this RFP. Failure to abide by this requirement could be grounds for rejection of your proposal.

### **3.8 CONFIDENTIALITY**

Any information acquired about MISA Ontario by a respondent during this process must not be disclosed unless authorized by MISA Ontario, and this obligation will survive the termination of the RFP process.

### **3.9 CONFLICT OF INTEREST**

By submitting a proposal, the respondent declares that it has no pecuniary interest in the business of any third party that would cause a conflict of interest or be seen to cause a conflict of interest in carrying out the services.

### **3.10 EVALUATION CRITERIA FOR PROPOSALS**

MISA Ontario will conduct a weighted evaluation of each proposal received in response to this RFP using the following criteria, which is not intended to be exhaustive and is not ranked in order of preference or priority:

- a) Completeness, thoroughness and relevance of the proposal submitted in response to the RFP.
- b) Demonstrated ability and experience in auditing other not-for-profit organizations of a similar size and complexity, including designated members of the audit team, and availability of relevant specialty service resources.
- c) Proposed audit plan and approach.
- d) Cost of services to be provided and other value-for-money services bundled with the audit.
- e) Background and stability of the accounting / audit firm.
- f) Other criteria as may be applicable.

### **3.11 AWARDING**

A letter of engagement, satisfactory to both parties and setting out the requirements based on this RFP and the proposal, will be entered into and signed by both parties after the appointment of auditors has been approved by the MISA Ontario Board of Directors.

## **4. PROPOSAL CONTENT**

All proposals should contain the following information about the accounting / audit firm:

- a) The name of the firm, local address, telephone number, facsimile number, name of key contact person, email address of key contact person. Respondents should include a listing of all office

locations within the province of Ontario. Also, provide a number of office locations across Canada, if applicable.

- b) The location of the office from which the work is to be performed, the number of partners, managers and other professional staff employed at that office location.
- c) A description of the range of services provided by that office location.
- d) Identification of the partner, managers and supervisors who will be assigned to MISA Ontario's audit. Include a brief biography of each person who will be assigned to work on the MISA Ontario audit, along with professional qualifications and summary of relevant experience.
- e) A list of current and prior not-for-profit or public sector clients including the number of years of service on each and the name, telephone number and email address of two (2) contacts for reference.
- f) Non-auditing professional services that your firm provides and any innovative products offered by your firm.
- g) Proposals must state the firm's understanding of the work to be performed and provide a description of the firm's audit approach.
- h) Cost of services including:
  - An estimate of the total hours of work required to complete the audit, broken down by major anticipated tasks.
  - The hourly billing rates for each category of staff assigned to work on the MISA Ontario audit.
  - Other identified additional costs or disbursements, and how these will be charged.
  - An all-inclusive maximum cost for the requested work should be clearly laid out for each of the next three (3) years.
  - A pricing structure for special work could be included.
- i) In addition, MISA Ontario welcomes your comments on:
  - Innovative ways to reduce audit fees and streamline the audit process.
  - Approach to fee negotiation for additional or unplanned work.
  - Strategies to familiarize the audit team with the operations of MISA Ontario.
  - Strategies to maintain continuity of the audit team and provide an appropriate level of senior management involvement in the audit, while minimizing audit team staff costs.
  - Quality assurance / control processes employed by the firm to ensure effective product and service delivery.

## **5. WORK PERFORMED BY MISA ONTARIO**

MISA staff will perform the following functions in relation to the annual audits:

- a) Preparation of the Association's financial statements, including all related schedules and notes at the beginning of the year-end audit visit.
- b) Arrangement of audit confirmations to banks, lawyers and other entities upon receipt of forms from auditors.
- c) Provide information on the transaction flow for each cycle and identification of related financial controls.
- d) Provision of access to phones, copiers & fax machines.

## **6. BACKGROUND INFORMATION**

Additional information about MISA Ontario can be found on our website at <http://misa.on.ca/en/aboutmisa/AuditorRFP2012.asp> The Association's fiscal year runs from January 1 to December 31. Annual audits must be completed by April 30 to ensure that financial statements are available for the Association Annual General Meeting held each June. MISA Ontario does not operate a physical location; rather we run a virtual organization. Our current Treasurer resides in Timmins, ON, where the actual accounting function is performed and documented. It should be noted that the Association executive regularly meets in the greater Toronto area.

The Association runs its' accounting functions on the 'Simply Accounting' platform and currently uses a cash-based approach as opposed to an accrual approach. The Association would like to consider changing over to an accrual approach for the 2012 fiscal year. All revenue transactions are processed online using the eSolutions platform, which is associated with the MISA Ontario website.

The Association has one full-time employee (Executive Director), as well as two part-time employees (associated with the Association professional journal). The Association is governed by a volunteer Board of Directors, with representation from across the province of Ontario. The majority of revenues come in to the Association through (i) sponsorship of events (ii) membership dues (iii) publication advertising and (iv) interest income.

The Association is comprised of approximately 120 Ontario municipal members and another 100 vendor associate members. MISA Ontario is a founding member of MISA/ASIM Canada and has two representatives on its' Board of Directors.

Recent audited financial statements will be made available to those firms who express an interest in responding to this RFP. For the 2010 calendar year, MISA Ontario processed 154 cheques, 216 invoices, and had revenues of \$949,000 vs. expenses of \$796,000. In the case of MISA / ASIM Canada, during the same period, they processed 37 cheques, 8 invoices, and had revenues of \$41,918 vs. expenses of \$44,784.

## **7. EXPRESSION OF INTEREST**

To express interest in responding to this RFP, please notify the individuals noted in point 2.1 via email, no later than January 27, 2012. Include the name of the key contact for your organization, email address and telephone number.