



Yellowknife
CHAMBER

**REQUEST FOR PROPOSAL:
AUDIT SERVICES**

RFP #: 2019-001

Due: January 10th, 2020 at 3:00pm MT



#21, 4802 50th Avenue
Yellowknife, NT X1A 1C4
Phone: (867) 920-4944
ExecutiveDirector@YKChamber.com

November 12th, 2019

Dear Members:

The Yellowknife Chamber of Commerce (YK Chamber) is requesting proposals from a Chartered Professional Accountant for its annual audit services. This process is being undertaken at the request of the Board of Directors, as a standard procedure to ensure the organization is providing an open and transparent process for awarding the audit services contract, and to ensure the organization continues to receive the best value it can for audit services.

Auditors are officially appointed at the YK Chamber's Annual General Meeting, which will be taking place on February 26th, 2020. This audit appointment is for a three-year term and will include 2020, 2021 and 2022.

Please review the following proposal package and requirements. If you have any questions, please contact me at: 867.920.4944 or ExecutiveDirector@YKChamber.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Deneen Everett". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Deneen Everett
Executive Director
Yellowknife Chamber of Commerce





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ExecutiveDirector@YKChamber.com

1.

Submissions must be received in .PDF format by the YK Chamber via email to ExecutiveDirector@YKChamber.com.

Submissions must be received on or before 3:00pm MT on January 10th, 2020.

It is the intent of the YK Chamber to evaluate all proposals and select a successful bidder by January 31st, 2020 at 3:00pm MT (or earlier).

All bidders will be contacted via email regarding the decision of the evaluation committee.

The information communicated to all bidders and members of the public will be the contract price of the winning bid – no other information will be provided.

2.

Submissions must arrive via email in .PDF format to ExecutiveDirector@YKChamber.com, addressed to the attention of the Executive Director, Deneen Everett, with the RFP reference number in the email subject line:

RFP #: 2019-001

The YK Chamber is not responsible for proposals that are not in .PDF format and/or do not reference the RFP number in the email subject line.

3.

Submissions received after the exact closing time and date will be rejected.

4.

The YK Chamber will not accept liability for any claim, demand or other actions for any reason should an email transmission be interrupted, not received in its entirety, received after stated closing time and date, received by any other email address other than stated herein, or any other reason.

5.

All questions and inquiries regarding this request for proposals should be directed to:

Deneen Everett
Executive Director
867.920.4944
ExecutiveDirector@YKChamber.com

6.

It is a condition of the proposal documents received, that each proposal is irrevocable.

7.

All submissions shall contain a Letter of Transmittal signed by a principal of the proponent.

8.

The proponent, by submitting a proposal, waives any claim for loss of profits if no agreement is made with the proponent.

9.

The YK Chamber will enter into a contract with the successful proponent.

10.

Any addenda (revisions / clarifications, etc.) will be issued in writing and sent to all proponents who received the contract documents.

11.

The YK Chamber has the right to cancel this Request for Proposal at any time and to reissue it for any reason whatsoever without incurring any liability, and no proponent will have any claim against the YK Chamber as a consequence.

12.

The YK Chamber shall not be liable for any costs of preparation or presentation of proposals.

13.

The YK Chamber will not accept any conditions or reservations, customary or otherwise, subject to which the proponent may purport to sell, or to deliver services other than those stated in this Request for Proposal.

14.

Submissions will be evaluated according to the YK Chamber's purchasing practices and individual line prices will be treated in strict confidence.

15.

An evaluation committee will review each submission and will rate each submission based on the following criteria:

20% - Proponent's Audit Experience, and in particular, experience specific to audits of non-profit organizations

20% - Qualifications – Skills, experience, and certification level of staff assigned to the work

35% - Fees – Quoted on a per annual basis. The contract will be issued for a period of 3 years

25% - Methodology – Please describe in detail how the audit work will be performed, and include an annual schedule (with milestones) for the work to be performed

The YK Chamber reserves the exclusive right to determine the qualitative aspects of all proposals relative to the evaluation criteria.



16.

The YK Chamber will only consider proposals from proponents who are active members of the YK Chamber, and who have a staffed office location based in the City of Yellowknife.

17.

Each rating is confidential, and only the contract value of the successful proposal shall be released. However, if there are significant differences, the YK Chamber may discuss a proponent's ranking, referencing the average of the category in question.

18.

As this is a Request for Proposal, the YK Chamber is not bound to accept the proposal that provides the lowest cost of price, nor any proposal of those submitted.

19.

If a contract is to be awarded as a result of this Request for Proposal, it shall be made to a proponent that is responsive and responsible and whose proposal will give the greatest value based on quality, service and costs.

20.

The YK Chamber may accept any proposal, or alternative proposal, in whole or in part, which is deemed to be the most favorable in the interests of the YK Chamber.

21.

The YK Chamber may, at its sole discretion, elect not to accept any proposal submitted and may proceed to acquire the requirements in such other manner as it so chooses.

22.

The YK Chamber reserves the right to negotiate with one or more proponents and ultimately enter into a contract upon the same or different terms and conditions as contemplated by the Request for Proposal.

23.

Proposals submitted shall be final and may not be altered by subsequent offering, discussions or commitments. Further descriptions, clarifications, filling in the gaps or expanding upon a proposal may be requested by the YK Chamber.

24.

Bids which are qualified or based upon conditions placed by the proponent may be eliminated from the competition as part of the Administrative Review process. The YK Chamber may, in its absolute discretion, deem a conditional or qualified bid to be non-responsive and refuse to consider it.



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PROPOSAL EXECUTION
(Complete and return as part of submission)

The proponent certifies that this submission was prepared without consultation with other bidding proponents or potential bidding proponents, unless a joint proposal is being submitted, in which case all parties are to be identified in this execution.

Date:

Name of Proponent:

Proponent's Mailing Address:

Proponent's Physical Address:


Proponent's Phone Number:

Proponent's Email Address:

Proponent's Name

Proponent's Signature

Date of Submission



PROJECT SUMMARY AND TIMEFRAME

1.

The YK Chamber requires an audit of its annual financial statements, and the Board of Directors wish to appoint an auditor to perform that audit.

The YK Chamber may require, from time to time, assistance with bookkeeping services.

2.

The contract will be for a period of 3 years, commencing March 1st, 2020. The YK Chamber's fiscal year is from January 1st to December 31st, with the AGM and appointment taking place in late-February.

BACKGROUND

1.

Section 8.13 of the YK Chamber's Bylaws reads:

"At each AGM, the Chamber Membership shall by resolution appoint an auditor to complete a review of the financial records of the Chamber for presentation at the next year's AGM. For greater certainty, the review shall be prepared as an audit, unless the Chamber Member by resolution approves a review engagement or other standard of review".

The Board of Directors have confirmed their intent to proceed with an audit for the next 3 years and will not be making any requests for the membership to consider another standard of review.

2.

The YK Chamber prepares an annual budget with current budget projections estimating annual revenues between \$380,000 and \$550,000. Fluctuations are due to project-specific government funding.

The YK Chamber utilizes the Sage 50 Premium Accounting (2020 Canadian Edition) financial software package to provide for general ledger and financial reporting, bank reconciliation, receivables management and invoicing, payables management and payroll.

The YK Chamber has a Treasurer as a member of the Board of Director's Executive Committee. The Treasurer oversees the financial reporting processes on behalf of the YIK Chamber's Board of Directors and the membership.

The YK Chamber has an internal Audit Committee, composed of the Treasurer, President and one additional Board Member. The Committee meets quarterly to review: payroll and GST remittances, credit card statements, bank reconciliations, actual and budgeted financials, and general journal entries.

SCOPE

1.

The auditor will audit the annual financial statements of the YK Chamber and prepare an audit report addressed to the Executive Director and the Board of Directors for the purpose of expressing an opinion

as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian accounting standards for non-profit organizations.

The auditor will prepare a management letter outlining the results of the audit with any noted areas of concern or weaknesses identified, along with recommendations for improvement.

The auditor will ensure all new or changed reporting requirements and auditing standards are communicated to the YK Chamber, in writing, to ensure the financial statements prepared by management are in compliance with current reporting requirements and auditing standards.

The auditor will respond to and discuss questions related to the audit with the Executive Director. It is expected that such inquiries would be included in the fee schedule provided and the YK Chamber would not incur additional billing.

The auditor, and/or qualified staff, will provide assistance with bookkeeping on an as-needed basis. Inquiries, if any, are infrequent, usually brief and specific in nature. It is expected that the YK Chamber would be billed on an hourly rate included in the Request for Proposal.

Staff of the auditor must ensure that confidentiality of information obtained as a result of their involvement with the audit is maintained.

APPROACH

The YK Chamber's AGM takes place in late-February and audited financial statements must be complete by early February.

It is suggested that the auditor complete audit work for Q1, Q2 and Q3 in November/December with the remaining work on Q4 taking place in January.

The YK Chamber's Executive Director will provide an electronic copy of the Sage 50 file at the beginning of the audit process.

The Executive Director will provide prompt and qualified assistance to each audit team member and YK Chamber staff will perform the work to search and provide copies of documents required for audit testing.

FORM & FORMAT

The Proposal should contain the following information, at a minimum:

- A. Company profile and contact: a brief profile of the firm indicating the scope of its practice and the range of activities performed such as auditing, taxation, accounting and management services;
- B. The proponent's contact person, phone number and email address;
- C. Experience with non-profit audits and specifically, an understanding of the YK Chamber;
- D. Audit Implementation: proposals must show the firm's understanding of the work to be performed, the audit approach and commitment to perform the work within a reasonable time;
- E. Audit staff: identification of all resources that will be used for this project. Resources should be identified using a brief resume identifying their qualifications and experience;

- F. Fee Proposal: the audit fee should include a breakdown of hours by employee classification (partner, manager, etc.) the hourly rate for each classification, and estimate of total audit costs. Other disbursements should be identified and included in the fee;
- G. Other Services: confirmation that occasional bookkeeping services can be provided, and the hourly fee for the firm to provide such services;
- H. References: a minimum of two references should be provided of which at least one must be from a non-profit organization that had an audit conducted within the last three years. Include a contact name, telephone number and email address for each reference.

TIMING

The year-end audit must be complete by mid-February annually. Assurance should be provided that assuming full cooperation of the YK Chamber, the proponent can deliver the financial statements and management letter by the deadline.

The YK Chamber holds its AGM in late-February and is required to present audited financial statements that have been reviewed and approved by the Board of Directors.

It is suggested that the auditor complete audit work for Q1, Q2 and Q3 in November/December with the remaining work on Q4 taking place in January.

PROPOSAL GUIDELINES

Selection Process

Proposals will be evaluated by the Executive Director, President and Treasurer and a recommendation to award the contract will be forwarded to the Board of Directors for a decision.

Cost Information

All prices and charges shall be a firm fixed price without escalator clauses or other qualifications for the duration of the contract.

STANDARD CONTRACT TERMS

The parties agree to the following:

Article 1 – Scope Of Service

Except as expressly stated herein, the Contractor shall perform the Service including the supply of labor and materials as necessary in accordance with specifications forming part of this Contract. Without limiting the generality of the foregoing, the Contractor shall, at its own risk and expense:

- A. Organize and perform the Service in accordance with the Contract, including the appendices attached hereto;
- B. Complete all reports required by the YK Chamber;

- C. Obtain all licenses and permits required for the provision of the Service;
- D. Deliver the Service in accordance with this Contract, including the appendices attached hereto; and
- E. Convey to the YK Chamber ownership to all materials, products, or other personal property produced for the YK Chamber as part of the Service.

Article 2 – Period of Contract

- A. The term of the Contract shall begin March 1st, 2020 and last for 3 years, ending on March 1st, 2023.
- B. The contract will terminate upon completion of the Service or upon written notice by either party.
- C. If the Contractor determines they will not be able to complete the Service within the time schedule, they will promptly notify the YK Chamber representative in writing.

Article 3 – YK Chamber Representative

- A. The YK Chamber's representative will be the Executive Director. The Treasurer will act as a backup to the YK Chamber's Executive Director.

Article 4 – Contractor's Representative

- A. The Contractor's Representative shall be the person identified. If no person is identified, the Contractor's Representative shall be the person who signed the Response to the Request for Proposals.

Article 5 – Terms of Payment

- A. The YK Chamber shall pay the Contractor for the Service according to the Payment Terms included in the Contract.
- B. If the Contract does not include specific Payment Terms or if the Payment Terms do not address terms of payment for a particular cost, item, or service, the YK Chamber shall pay the Contractor for such item, cost or service in accordance with the written proposal or quote of the Contractor accepted by the YK Chamber.
- C. Unless otherwise indicated in the Payment Terms of the Contract Term Sheet:
 - Prices are in Canadian currency;
 - Prices shall be inclusive of all applicable excise taxes and duties;
 - Prices shall be exclusive of GST, which shall be shown on a separate line at the time of invoicing.
- D. If any portion of the fees payable to the Contractor are based on hours worked or other unit costs, the YK Chamber shall have the right to request time sheets or other such records as may be necessary to confirm the number of hours worked, or other unit costs claimed by the Contractor.

Article 6 – Withholding Payments

- A. The YK Chamber may withhold from any payment due hereunder the reasonable value of any claim against it which the Contractor has failed to settle pursuant to its indemnity contained herein.

Article 7 – Price Increases

- A. The prices in this Contract are firm for the Contract Term and shall be subject to adjustment only for changes, as authorized in writing in advance by the YK Chamber or as expressly provided in the Payment Terms of the Contract or in any schedule containing escalation/adjustment clauses.
- B. The YK Chamber shall not entertain or accept escalations or means which would increase the Contract price.

Article 8 – General Terms and Conditions

- A. The Contractor shall not unnecessarily encumber or interfere with YK Chamber operations in performing the Service.
- B. The Contractor will have access to the YK Chamber's Boardroom for up to 10 business days, so on-site work can be conducted. The Contractor agrees to work with the Executive Director to book on-site work well in advance.
- C. The Contractor is an independent contractor, and all persons employed by the Contractor in connection herewith shall be employees of the Contractor, and not employees of the YK Chamber in any respect.
- D. The Contractor agrees to indemnify and hold harmless the YK Chamber, its officers, employees and agents, against and from any and all loss, claims, actions or suits, including costs and attorney's fees, for or on account of injury, bodily or otherwise, to or death of persons, damage to or destruction of property belonging to the YK Chamber, or others, resulting from, arising out of, or in any way connected with the Contractor's operations.

Article 9 – Contract Performance

- A. Payments to the Contractor shall not be a waiver of any breach of this Contract by the Contractor or relieve the Contractor from the performance of any obligations under this Contract.

Article 10 – Codes, Standards, Regulations and Laws

- A. The Service shall comply with all applicable codes, standards and/or regulations of governing authorities. The Contractor shall acquire and keep in force all required permits and certificates of approvals.
- B. The Contractor shall observe and comply with all applicable federal, territorial and municipal statutes and regulations.
- C. The YK Chamber shall not be responsible for Contractor failure to comply with applicable standards, regulations and laws in performing the Service.

Article 11 – Confidentiality

- A. The Contractor acknowledges that, in performing the Services, they may be exposed to certain confidential information. The Contractor agrees that, except as expressly permitted by the YK Chamber, the Contractor will not at any time during or after the term of this Contract make use of any Confidential Information or disclose any Confidential Information to any person, or permit any person to examine and/or make copies of any reports or any documents prepared by them or that come into their possession or under their control by reason of work performed under this Contract.
- B. Upon termination of this Contract, the Contractor will turn over to the YK Chamber all documents, papers and other matters in their possession or under their control that relate to such Confidential Information.

Article 12 – Applicable Law

- A. This Contract shall be governed by the laws of the Northwest Territories.

Article 13 – Insurance

- A. The Contractor will, during the period of this service, carry insurance with a company or companies licensed in the Northwest Territories, appropriate liability and other insurance protection as is necessary for the Service involved and which is customary for the trade. Such insurance shall be maintained to underwrite and assume any liability arising from Indemnification.
- B. The limits of liability for each requirement shall not be less than \$2,000,000 single limit.
- C. The Contractor shall provide a Certificate of Insurance within 2 business days of any request by the YK Chamber's Representative.

Article 14 - WSCC

- A. Before commencing Services, the Contractor shall comply with all applicable Workers' Compensation and Employers' Liability Acts in the Northwest Territories and, upon request, shall furnish proof thereof satisfactory to the YK Chamber.

Article 15 – Time and Delays

- A. The Completion Date shall be the date in which the Service could be completed by a reasonably skilled person working diligently.
- B. The Service must be completed by an agreed-upon Completion Date. If the Contractor fails to complete the Service by the Completion Date or to perform with due diligence, the YK Chamber may, at its option, issue a written demand requiring the Contractor to comply with the terms of this agreement; or cancel this Contract without liability to the Contractor. Exercise of either option shall be without prejudice to the YK Chamber's rights to claim from the Contractor any loss or damage suffered.
- C. The Contractor will be liable to the YK Chamber for all costs and expenses incurred by the YK Chamber, which are a direct result of any delay in completion of the Service, and the YK Chamber may deduct such costs from payment owing to the Contractor under the Contract.

Article 16 – No Assignment, Delegation or Sub-Contract

- A. The Contractor shall not assign this Contract, nor delegate or subcontract any of the Services to be performed by it hereunder without the express written consent of the YK Chamber, for greater certainty, nothing in this clause prohibits the Contractor from delegating the performance of any portion of the Service to the employees of the Contractor.

Article 17 – Non-Waiver

- A. The YK Chamber may at any time insist upon strict compliance with the terms and conditions of this Contract, notwithstanding any previous custom, practice or course of dealing to the contrary. Conversely, the failure of the YK Chamber to insist upon or enforce strict compliance with any of the terms and conditions of this Contract or to exercise any rights herein shall not be construed as a waiver or relinquishment to any extent of its right to assert or rely upon such terms or rights on any future occasion.

Article 18 – Warranty

- A. The Contractor will warrant the Service for a period of one year from date of completion, and during this time will rectify any errors or omissions immediately upon receiving written notice from the YK Chamber.

Article 19 – Unauthorized Use of Name

- A. The Contractor shall not, without prior written approval of the YK Chamber make any statement or publish or release to any other person any photograph, advertisement, testimonial, letter or commendation or approval, or any other document or written matter which might imply the YK Chamber's approval of the products, actions, or performance of the Contractor.

Article 20 – Termination for Convenience

- A. Either party may terminate this Contract at any time by giving 30 days' notice to the other party. Such termination shall not affect the rights of the parties which have accrued prior to the date of termination and shall not relieve any party from obligations arising during the term thereof.

In the event of termination, the Contractor and the YK Chamber are each released and discharged from any claims by one against the other in connection with the termination of this Contract or the services herein described. The YK Chamber shall not be held liable for damages or loss of anticipated profits on account of a termination.

Article 21 – Binding Effect

- A. The Contract shall operate for the benefit of and be binding upon the respective executors, administrators, successors and assigns of the YK Chamber and the Contractor.

Article 22 – Complete Agreement

- A. This Contract and its attachments constitute the complete Contract between the parties. Except as provided herein, it supersedes and shall affect in substitution for all previous agreements. It is subject to change only by an instrument executed in writing by the YK Chamber.
- B. As this contract arises from a Request for Proposals, the provisions of the Request for Proposals and the Contractor's bid or proposal submission may be used to clarify, explain or supplement this Contract, but shall not be used to contradict any express terms of this Contract.



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- C. In the event of a conflict between this Contract and the Contractor's bid or proposal submission or the YK Chamber's original proposal instructions or Request for Proposals, this Contract shall apply.

Article 23 – Notices

- A. Where notice is required or permitted to be served by one party on the other, the notice shall be given in writing and must be delivered to: ExecutiveDirector@YKChamber.com.
- B. Either party may change its address for service by sending a written notice to the other party.