

**The College of Family Physicians of Canada
Audit Services
REQUEST FOR PROPOSAL (RFP)
November 3, 2015**

Contact person for the purposes of this RFP:

Roxane Fast, CPA, CMA
Finance Consultant
Roxane.fast@acfp.ca

1. About the Alberta College of Family Physicians (ACFP)

The Alberta College of Family Physicians (ACFP) is a provincial, professional voluntary organization representing more than 4,100 family physicians in Alberta. Established more than 50 years ago, the ACFP strives for excellence in family practice through advocacy, continuing medical education and primary care research. The ACFP is a provincial Chapter of the College of Family Physicians of Canada (CFPC), a nationwide organization with more than 30,000 members.

Date Incorporated: January 9, 1997

ACFP website: www.acfp.ca

Refer to the "2014 Year in Review" document for information on ACFP activities and outcomes (<https://www.acfp.ca/about-us/year-in-review/>).

2. Overview of Services

The scope of required external audit services includes the following:

1. A financial statement audit including the statement of financial position, statements of changes in net assets, operations and cash flows for the year end, and a summary of significant accounting policies and other explanatory information. The audit will include the financial statements of ACPF activities across four funds (unrestricted operating, internally restricted, restricted AFPRN and invested in property and equipment).
2. Each annual audit will include written recommendations made to management, which address any findings, observations, opinions, or comments relating to internal controls, financial systems, compliance or other matters that come to the attention of the auditors during the examination process. This management letter shall be provided in draft form for discussion with ACFP officials.
3. Preparation of the T1044 Non-Profit organization information return and related schedules.
4. Preparation of reports to the Board of Directors as required.
5. Meeting with Board members to review draft financial statements and other reports to the Board.
6. Informal advice and consultation throughout the year on matters relating to accounting, updates to CRA regulations, etc. This would not necessarily include any task that entails significant research or a formal report.

Should circumstances arise during the audit that requires significant additional work to be performed in excess of the amounts set forth in the contract, additional costs will be negotiated prior to commencement of the related work.

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue report on the fair presentation of the financial statements in conformity with generally accepted accounting principles for ACFP. The audit will include an expression of an opinion as to whether the financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph of the auditors' opinion when considered in relation to the financial statements taken as a whole.

The audit report and financial statements must be completed no later than six (6) weeks following completion of year end (i.e. mid-February). The ACFP annual general meeting is typically held in late February or early March in conjunction with the ASA conference held in Banff, Alberta. Client prepared working papers will be available before the end of the 3rd week of January.

The auditor must include in its auditing fee the cost of preparing for publication, printing and binding fifteen (15) copies of the *Financial Statements and Independent Auditors Report to the Members*. Copies of such report must also be delivered to ACPF electronically.

The working papers will be retained, at the auditor's expense, and made available upon request by ACFP or any cognizant agency for no less than five years from the date of the audit report.

ACFP intends to continue the relationship with the selected auditor for a three (3) year term, with two (2) optional one-year renewals.

ACFP's external auditor has been Yaremchuk and Annicchiarico LLP since 2005; they will undertake the audit of the fiscal year ending December 31, 2015. ACFP has had no disagreements with its current auditors. The RFP process has been developed to allow a fair evaluation of experienced applicants. The annual audit fee for ACFP has been under \$10,000 before GST.

3. Overview of the ACFP Finance and Human Resource Function

The following information provides an overview of ACFP finances in order to provide a general sense for scoping external audit services.

Item	Particulars
Accounting services	ACFP engages the part-time services of an accountant (CPA) with over 25-years experience to handle the finance, payroll human resource function
Accounting records	Located at ACFP offices at: # 370, 10403-172 Street, Edmonton, Alberta
Accounting system	Sage 50 Premium Accounting (Release 2014.2) The function used by ACFP include general ledger, accounts payable, accounts receivable and budget
Payroll system	Ceridian PowerPay
Timesheet system	Ceridian Dayforce

Item	Particulars
Annual revenues	Approximately \$1M
Number of employees	8 including 1 Executive Director, 3 Program Managers and 4 support staff
Total payroll	\$660,000 for 2015
Total net assets	\$1,023,185 (audited December 31, 2014)
Capital assets	\$48,692 (audited December 31, 2014)
Fiscal year end	December 31
Accounting standard	GAAP
Financial activities	Weekly <ul style="list-style-type: none"> • Booking and processing of all revenues • Payables • Bi-weekly payroll Monthly <ul style="list-style-type: none"> • Revenue reconciliations • Group benefit and RRSP payments • Pension remittance for 1 grandfathered employee • Bank reconciliation • Financial reports for Executive Director reviews and Executive Committee meetings Quarterly <ul style="list-style-type: none"> • Quarterly GST • Honorarium payments • Investment reconciliations
Budgets	Adopted annually
Year-end working papers	Prior to commencement of external audit services, the client prepares year end working papers including reconciliation and analysis of primary accounts
Financial control practices	<ul style="list-style-type: none"> • 2 signatures on cheques • Executive Director review and sign off of bi-weekly payroll • Executive Director review and sign off on monthly bank reconciliations • Monthly financial reports for management review • Forecasting and budgeting exercises with ACFP management team
Documented procedures	<ul style="list-style-type: none"> • Cash Handling • Honorariums, Awards and Contract for Services • Accounting and payroll procedures (step-by-step “how to” instructions) • Expense reimbursement

4. RFP Response Format

In order to standardize the review process, the auditor’s proposal must be presented in the following format/order.

- 1) Title Page
 - a) Show the RFP subject, the name of the firm, local address, telephone number, name of contact person, and date. This person must have full authority to bind the firm with respect to all issues. This person should attend all meetings with ACFP regarding the preparation of any contract or agreement.
- 2) Table of contents

- a) Identify the material by section and page number.
- 3) Letter of Transmittal
 - a) Limit of two pages.
 - b) Briefly state your understanding of the work to be accomplished and whether or not you can perform the work within the time period.
 - c) Provide the names of the persons who will be authorized to make representations for your firm, their titles, addresses, and telephone numbers.
- 4) Profile of the Firm (provide/state how the firm meets the following)
 - a) Provide information on whether the firm is local, national, or international.
 - b) The firm is independent and licensed to practice in Alberta.
 - c) Give the location of the office from which the work is to be performed and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.
 - d) Describe the range of activities performed by the local office, such as audit, accounting, tax service, or management services.
- 5) Summary of the Proposer's Qualifications (in addition to minimum qualifications)
 - a) Identify the partners, managers, and supervisors who will work on the audit, including staff from other than the local office. Include resumes for those to be assigned to the audit. (The resumes may be included as an appendix).
- 6) Describe recent local and regional not-for-profit auditing experience similar to the type being requested and for an entity that approximates the size and complexity of ACFP.
- 7) Scope Section
 - a) Clearly describe the scope of the required services to be provided.
 - b) Comment specifically on the timeline and how ACFP can assist in expediting the audit. Describe assistance expected from ACFP staff, if other than outlined in the RFP.
- 8) Compensation
 - a) Estimate the total hours and maximum fee for the audit of the fiscal year ended December 31, 2016. Include the hourly rates to be charged for each staff classification. Include the expected level of fees for future engagements. Please also provide a total amount charged for drafting the audit report, as part of the total fee.
 - b) For each additional proposal year, including extensions, please provide the total hours and maximum fee.
- 9) References
 - a) Please provide a minimum of three (3) references, preferably not-for-profit clients that ACFP may contact regarding audit services provided by your firm. Please include entity name, contact person's name and position, address, phone number and email address.
- 10) Additional Information
 - a) Provide in this section any additional information considered essential to the proposal. If there is no additional information to present, indicate such in this section.

5. Additional Information

- 1) ACFP will not be liable for any costs incurred in the preparation and submission of proposals.
- 2) The submission of a proposal shall be evidence that the proposer has full knowledge of the scope, nature, quantity, and quality of work to be performed; the detailed requirements of the specifications; and the conditions under which the work is to be performed.

- 3) The proposer shall furnish such additional information that ACFP may reasonably require.
- 4) ACFP may conduct personal interviews of finalists as part of the selection process. ACFP will not be liable for any costs incurred by the proposer in connection with such interviews (i.e., travel, accommodations, etc.).
- 5) Interviews may be held at the sole discretion of ACFP.
- 6) ACFP reserves the right to reject any and all proposals or accept the proposal it considers most favorable to ACFP needs and reserves the right to waive minor irregularities in the procedures. ACFP further reserves the right to reject all proposals and seek new proposals when such procedure is in the best interest of ACFP.
- 7) Responses to this RFP will become an attachment to the contract.

6. Selection Evaluation Criteria

The following criteria will be used to evaluate responses to this RFP:

- a) Qualifications and technical experience of firm's members. (10 points)
- b) How thoroughly the proposal depicts an understanding of the work to be performed and the degree to which the scope of proposed services meets ACFP requirements. (10 points)
- c) Ability of firm to meet audit deadlines (15 points)
- d) Overall cost of services. While costs are an important factor, they may not be the most dominant factor. Cost is particularly important when all of the other evaluation criteria are equal. (15 points)
- e) Impressions derived in interviews (50 points)

7. Submission of Proposals

RFP and associated information may be downloaded directly from ACFP's website at: www.acfp.ca

Submitted written questions will be taken up to November 10, 2015. Questions can be submitted by email and should be directed to Roxane Fast at roxane.fast@acfp.ca (phone calls will not be accepted). A written response will be posted to the website above for the benefit of all proposers.

Proposals must be submitted via email to Roxane.Fast@acfp.ca or delivered in a sealed envelope marked "RFP – Audit Services" to:

Roxane Fast, CPA, CMA
Finance Consultant
#370, 10403-172 Street, Centre 170
Edmonton, AB T5S 1K9

Proposals must be physically received by 4:00 p.m. Mountain Time November 17, 2015. (Under no circumstances will late delivery be accepted.) Postmarks will not be accepted. If submitting via physical delivery, two printed copies of the proposal must be submitted along with an electronic version on a USB memory device.

It is anticipated staff will review and rank the proposals, potentially invite firms for interviews, make a recommendation to the Governing Board at the March 2016 Board meeting and award a contract by April 15, 2016.

ACFP reserves the right to modify the dates for preliminary selection and final contract approval based on changes to regularly scheduled Board meeting dates, unanticipated delays in the selection and/or negotiation process, or any other contingency based on the best interest of ACFP.

8. PROPOSAL AND AWARD SCHEDULE

Date	Activity
November 3, 2015	Distribute Requests for Proposal
November 10, 2015	Deadline to submit written questions
4:00 pm MT, November 17, 2015	Proposal submission deadline
November 30 - December 8, 2015	Potential interviews
March 3, 2016	Take RFP proposed selection to ACFP Board
April 15, 2016	Contract awarded