



TOWNSHIP OF  
**Adelaide Metcalfe**

Request for Proposal (RFP)  
RFP No. AM-07-2021

**Municipal Audit Services**

September 7, 2021

Deadline for Receipt of Proposals: October 5, 2021 by 2:00pm EST

Proposals to be submitted by email to Morgan Calvert

([mcalvert@adelaidemetcalfe.on.ca](mailto:mcalvert@adelaidemetcalfe.on.ca))

Adelaide Metcalfe  
2340 Egremont Drive  
Strathroy, ON  
N7G 3H6

## 1) DEFINITIONS

In this Request for Proposal, in addition to terms defined elsewhere in this Request for Proposal, the following terms have the following meanings:

**“Adelaide Metcalfe”** is duly incorporated lower-tier municipality in the province of Ontario, within the meaning of the *Municipal Act, 2001*, SO 2001, c 25, as amended.

**“Client”** means any person who will endorse a contract. This could be Adelaide Metcalfe or a local participating municipality who have entered into a contract with the successful proponent resulting from this RFP. The Client has the power or right to provide orders or decisions;

**“Cooperative Purchasing Agreement”**- means that Adelaide Metcalfe has the authority to purchase and/or enter into a potential contract for Services with a Respondent which will allow Participating Municipalities, if they choose, to attach to Adelaide Metcalfe’s procurement processes, and that Adelaide Metcalfe has received authorization from Participating Municipalities to become a participant in this Request for Proposal and enter into a cooperative purchasing agreement with Adelaide Metcalfe.

**“Mandatory Requirement”** has the meaning described in section 3(a) of this Request for Proposal.

**“Municipal Audit Services”** means all of the mandatory requirements identified in section 5(a) in this RFP, provided for in Proposals, and which may be incorporated into a potential contract (at the sole discretion of Adelaide Metcalfe or Participating Municipality).

**“Participating Municipality”** means any of the following lower-tier municipalities within Middlesex County: the Township of Adelaide Metcalfe and the Municipality of Southwest Middlesex

**“Proponent”** means any person or entity providing a proposal in response to this RFP.

**“Rated Requirement”** has the meaning described in section 3(b) of this Request for Proposal.

**“Request for Proposal or RFP”** means this document inclusive of all definitions and provisions contained therein.

**“Services”** means all of the requirements identified in this RFP, provided for in Proposals, and which may be incorporated into a potential contract (at the discretion of Adelaide Metcalfe and/or a Participating Municipality).

**“Substantial Compliance”** has the meaning as set out in section 3(c) of this RFP.

**“Successful Respondent”** means a Respondent which based on its proposal, receives a recommendation by the Evaluation Committee of this RFP to be able to discuss a potential contract for Services with Adelaide Metcalfe, the approval of Adelaide Metcalfe being required for the establishment of a potential Service contract with Adelaide Metcalfe; and

## **2) BACKGROUND AND INTENT OF THIS RFP**

Adelaide Metcalfe is a Township in Middlesex County, Ontario, Canada. The Township was formed on January 1, 2001 through the amalgamation of the former Township of Adelaide and the Township of Metcalfe. The Township contains the communities of Adelaide, Crathie, Dejong, Kerwood, Keyser, Mullifarry, Napier, Napperton, Springfield, Walkers and Wrightman Corners. Adelaide Metcalfe strives to provide residents, businesses, and visitors with access efficient and effective municipal services.

As a lower-tier municipality, Adelaide Metcalfe, and other participating municipalities, are responsible for providing the following services:

- Administration
- Finance
- By-law enforcement
- Building inspections and permits
- Fire protection
- Police services (a Provincial service levied by the Township)
- Parks, recreation and cultural
- Economic development
- Library services (facility only)
- Road, sidewalk, and sewer construction and maintenance
- Waste collection
- Waste water collection and treatment
- Water collection and distribution
- Planning

Please note that some Participating Municipalities, or the Township of Adelaide Metcalfe may participate in other Board’s or local service bodies that must be consolidated on the respective Financial Statements.

Through this Request for Proposal (RFP), the Township is seeking proposals from qualified and experienced firms who are able to enter into an agreement up to a five-year term to provide Municipal Audit Services at the request of Adelaide Metcalfe, or Participating Municipalities.

Proponents must note that either the Township of Adelaide Metcalfe, or Participating Municipalities within this RFP may choose a contract start date based on the respective municipality's needs.

Subsection 296 of the Municipal Act, 2001, requires that a municipality shall appoint an auditor licensed under the Public Accounting Act, 2004 who is responsible for,

- (a) annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit; and
- (b) performing duties required by the municipality or local board.

The Municipal Act, 2001 also requires that an auditor of a municipality shall not be appointed for a term exceeding five years.

Through this RFP, it is the intent that Adelaide Metcalfe or Participating Municipalities can enter into a Cooperative Purchasing Agreement where Participating Municipalities may endorse contracts with any successful Respondent of this RFP Services or related projects the Participating Municipalities chooses, however, there is no obligation for a Participating Municipality to enter into any particular contract.

### **3) PROPOSAL CONTENT AND DOCTRINE OF SUBSTANTIAL COMPLIANCE**

This RFP includes both mandatory and rated requirements. Adelaide Metcalfe requests proposals which:

- i. confirm and demonstrate compliance with all of the stated mandatory requirements; and
- ii. should address or respond to each of the stated rated requirements.

#### **a) Mandatory Requirements**

Mandatory requirements are expressed in this RFP using terms such as “**must**” or “**shall**” and are followed by the letter **(M)** in section 5 of this RFP.

These mandatory requirements will be understood to constitute an imperative requirement of Adelaide Metcalfe with respect to this RFP. Proponents are required to provide a clear response to each mandatory requirement item in their proposals. If a mandatory requirement is not provided in a Proposal, that Proposal will be considered non-compliant with this RFP and will be unable to be evaluated/scored under the Rated Requirements Evaluation Criteria (see Evaluation Methodology in section 6 of this RFP) unless the doctrine of substantial compliance (as defined in this RFP) is deemed to apply by Adelaide Metcalfe in its sole and absolute discretion.

*If a mandatory requirement is not technically feasible, not in line with industry standards, or contradicts other requirements, the Proponent should state so in writing to Morgan Calvert ([mcalvert@adelaidemetcalf.com](mailto:mcalvert@adelaidemetcalf.com)) on or before September 14, 2021 by 12:00 pm EST. Adelaide Metcalfe in its sole and absolute discretion may recommend changes to Proposals in an addendum to this RFP (see section 8a of this RFP).*

#### **b) Rated Requirements**

Proposals will be evaluated and scored pursuant to the Evaluation Methodology set out in section 6 of this RFP. The Rated Requirements Evaluation Criteria rates how strongly and the ease at which the characteristics of the mandatory requirements provided in proposals meet the Adelaide Metcalfe's needs. Rated requirements in this RFP are followed by the letter **(R)** in section 5 of this RFP and will be assessed/scored by Adelaide Metcalfe in accordance with the Rated Requirements Evaluation Criteria set out in section 6(c) of this RFP.

*Note to Proponents: It is essential that Proposals are stated in a clear and concise manner. Failure to provide complete information as requested will be to the Proponent's disadvantage.*

#### **c) Doctrine of Substantial Compliance**

While it remains Adelaide Metcalfe's prerogative in its absolute and sole discretion to exclude any proposal from further evaluation or consideration for having failed to meet a mandatory requirement, Adelaide Metcalfe nevertheless reserves the right in its absolute and sole discretion to determine that a proposal substantively complies with a mandatory requirement. In such a case, substantive compliance means where the solution proposed or the proposal itself:

- i. accomplishes a mandatory requirement using an alternative method than that envisaged by Adelaide Metcalfe; and
- ii. the degree that the proposal is apparently non-compliant with the specified requirement is considered by Adelaide Metcalfe to be minor and not material to the overall procurement intent of this RFP.

#### **4) AWARD, POTENTIAL CONTRACT, and TERM OF POTENTIAL CONTRACT**

Adelaide Metcalfe reserves the right to accept or reject any and or all proposals should such be determined by Adelaide Metcalfe to be in Adelaide Metcalfe's best interest. Should only one proposal be received, Adelaide Metcalfe reserves the right to reject it. Adelaide Metcalfe does not guarantee that any proposal will produce a recommendation by the evaluation committee to Adelaide Metcalfe or that any contract for services will ultimately be endorsed by Adelaide Metcalfe. In the event there is a successful Proponent to this RFP, the Award to a successful Proponent is a recommendation by the evaluation committee for

the successful Proponent to discuss a potential contract with Adelaide Metcalfe.

Adelaide Metcalfe reserves the right to change its direction with respect to the term of any potential contract at any time prior to endorsement. In the event there is a successful proponent to this RFP and discussions with Adelaide Metcalfe ultimately fail to produce an endorsed contract, the Proponent in endorsing the RFP Response Form (attached as Appendix A) does hereby acknowledge that no damages or liability flow from such failure and does hereby release and hold harmless Adelaide Metcalfe for any costs or damages incurred by the Proponent in preparing a Proposal or negotiating with Adelaide Metcalfe.

Adelaide Metcalfe may wish to enter into a long-term contract for the provision of Services with the successful Proponent for a term of five (5) years.

## **5) MANDATORY AND RATED REQUIREMENTS OF THIS RFP**

### **a) Mandatory Requirements (M)**

The firm must:

- 1) be an auditor licensed under the Public Accounting Act, 2004,
- 2) have proven experience in auditing a municipality of similar size and scope within the last three years,
- 3) have well-developed professional auditing techniques as well as systems of control and review for audit work performed,
- 4) have substantial expertise, resources, and support service available to perform the audits consistently from one year to the next, in an expeditious manner and within the requirement timelines,
- 5) Demonstrate an understanding of legislation relevant to the local government environment,
- 6) Have sufficient staffing, facilities, financial resources, and expertise to address the scope of the audit services,
- 7) Lead staff assigned to the audit must hold a valid accounting designation and have previous experience in performing a municipal audit engagement.

### **Audit Scope and Requirements**

- 1) The audits shall include the examination of the financial records and preparation of the final financial statements of the Township and each local board and commission to the degree necessary to express a consolidated audit opinion.
- 2) The firm must prepare the final Consolidated Financial Report and the Financial Information Return.

- 3) Also included will be related examinations required in order to produce any necessary reports for the Province of Ontario.

### Schedule

The auditors shall meet with the Treasurer (or delegate) for the Township and its Boards and Commissions to discuss and agree upon;

- a) a schedule, which includes all aspects of the completion and audit of the various financial statements of the Township for the current year,
- b) a list of the necessary schedules, working papers, analyses, and other information to be prepared by the staff of the Township and its Boards and Commissions.

### Audit Approach

The firm must describe its approach to completing a municipal audit. This should include at least the following:

- 1) Type of audit program used,
- 2) Use of statistical sampling (techniques and automated tools),
- 3) Use of computer audit specialists,
- 4) Organization of the audit team and approximate percentage of time spent on the audit by each team member.

### Other

- 1) From time to time the auditors may be called on to give professional advice and provide additional services. The auditor will be expected to provide ongoing advice and assistance to the Treasurer, recognizing the needs and capabilities of staff. The auditor will be expected to provide suggestions to reduce the annual/accounting costs.

### **b) Strength of Mandatory Requirements (R)**

The extent to which and ease at which the specific characteristics of the mandatory features (5a above) provided in proposals meet Adelaide Metcalfe's intention and needs as stated in section 2 of this RFP will be rated (R) pursuant to the Rated Requirements Evaluation Criteria set out in section 6(c) of this RFP.

### **c) Additional Services (M)(R)**

Please provide a list of any additional services or products that the proponent may provide as they relate to Municipal Audit Services.

**d) Strength of Additional Services (R)**

The extent to which and ease at which the specific characteristics of the Additional Services (5c above) provided in proposals meet Adelaide Metcalfe's intention and needs as stated in section 2 of this RFP will be rated (R) pursuant to the Rated Requirements Evaluation Criteria set out in section 6(c) of this RFP.

**e) Proposed Pricing Model (M)(R)**

The Proposed Pricing Model in each Proposal submitted must:

1. Include an hourly cost model that may be incorporated into a contract based on the mandatory requirements in section 5(a) and the additional services in section 5(c) of the RFP.
2. Include a proposed overall five (5) year cost model that may be incorporated into a potential contract.
3. Provide a cost model with respect to any additional local boards or commissions that may need to be consolidated to the Financial Statements

**f) Experience and Qualifications (M)(R)**

Respondents must provide three (3) references that we may contact.

Respondents shall provide a short description of their current and past experience in providing Municipal Audit Services for other clients similar in nature to Adelaide Metcalfe.

Describe the experience in municipal audits of the partner, manager/supervisory and senior assigned to the audit including years on each job and their position on each audit. Also, specify the local office(s) in which the staff is located.

Describe the relevant educational background of each individual assigned to the audit. This should include seminars and courses attended within the past two years.

Describe any specialized skills, training, and background in public finance by assigned individuals. This may include participation in municipal or provincial consulting assignments, speaker or instructor roles in conferences or seminars or authorship of articles and books.



**g) RFP Response Form (Acknowledgement) (M)**

A scanned copy of an original endorsed RFP Response Form (attached as Appendix A) must be attached to the proposal by the deadline for receipt of proposals (October 5, 2021 by 2:00 pm EST).

**6) EVALUATION METHODOLOGY**

**a) Evaluation Committee**

Proposals will first be examined by the Evaluation Committee which will be comprised of 2 members from Adelaide Metcalfe and 2 members from Participating Municipalities. These members will work through the method found in this section, to make a recommendation of the successful proposal and provide this recommendation to Adelaide Metcalfe for a decision.

**b) Examination for Compliance with Mandatory (M) Requirements**

Proposals will first be examined for compliance with the mandatory requirements of this RFP. If a mandatory requirement is not provided in a proposal, that proposal will be considered non-compliant with this RFP and will be unable to be evaluated/scored under the Rated Requirements Evaluation Criteria (section 6c of this RFP) unless the doctrine of substantial compliance (as defined in this RFP) is deemed to apply by Adelaide Metcalfe in its sole and absolute discretion.

**c) Rated (R) Requirements Evaluation Criteria**

The rated requirements of compliant proposals will be evaluated under the Rated Requirements Evaluation Criteria provided in the table below.

The lowest cost, or any proposal at all, will not necessarily be accepted by Adelaide Metcalfe. The basis for selection of a proposal will be the proposal that provides the best overall value as determined by the exercise of the Rated Requirements Evaluation Criteria. In the event a proposal is selected by the committee, the award by the committee is a recommendation for the proponent to be able to negotiate a potential contract with Adelaide Metcalfe.

Adelaide Metcalfe reserves the right to accept or reject any or all proposals should such be deemed by Adelaide Metcalfe in its sole discretion to be in its best interest. Should only one proposal be received, Adelaide Metcalfe reserves the right to reject it.

ITEM	RATED REQUIREMENTS EVALUATION CRITERIA	EVALUATION WEIGHING
1.	Strength of Mandatory Requirements	25%
2.	Strength of Additional Services	5%
3.	Experience and Qualifications (including quality of references)	35%
4.	Professionalism of Proposal	5%
5.	Proposed Pricing Model	30%
Total		100%

## 7) **ADDITIONAL GENERAL CONDITIONS OF THIS RFP**

### a) **Independent Contractor Status of Proponent: Indemnity and Insurance Acknowledgement**

The Proponent acknowledges that in providing a proposal that it provides such as an independent contractor and for the sole purpose of providing Municipal Audit Services. Neither the Proponent nor any of its personnel is engaged as an employee, servant or agent Adelaide Metcalfe or a Participating Municipality.

As an independent contractor, the Proponent further acknowledges that in the event it was to enter into a potential contract with Adelaide Metcalfe or a Participating Municipality, it would be required in any such contract to:

1. release, indemnify and hold completely harmless Adelaide Metcalfe and/or a Participating Municipality from any and all liability, including legal costs, which may be attributed to the negligence of the Proponent in its provision of services;
2. the Proponent must provide an insurance policy that appropriately covers the Services required through this RFP and that aligns with industry standards and / or best practices for Municipal Audit Services.

### b) **Subcontracting and Assignment**

The Proponent acknowledges that in any potential contract with Adelaide Metcalfe or Participating Municipalities, no subcontracting or assignment of rights and obligations of the Proponent will be permitted without the written consent of Adelaide Metcalfe or Participating Municipality, whichever the case may be. At all times throughout the term of a contract, including any renewals, Adelaide Metcalfe and/or a Participating Municipality shall communicate and respond directly with the Proponent.

## 8) **ADDITIONAL SPECIAL CONDITIONS OF THIS RFP**

### a) **Addenda**

Adelaide Metcalfe reserves the right to revise this RFP up to the final date for the deadline for receipt of proposals (October 5, 2021 by 2:00 pm EST). **Any necessary addenda to this RFP will be posted on Adelaide Metcalfe Website (<https://www.adelaidemetcalfe.on.ca/doing-business/bids-and-tenders>) ONLY.**

Adelaide Metcalfe at its discretion may or may not change the date for submissions depending on the date and extent of any Addenda.

### b) **Question Period**

In the event any proponent has clarification question(s) on the requirements for the submission of a proposal pursuant to this RFP, such questions must be submitted by emailing Morgan Calvert ([mcalvert@adelaidemetcalfe.on.ca](mailto:mcalvert@adelaidemetcalfe.on.ca)) on or before September 14, 2021 by 12:00 pm EST.

Answers to all clarification questions with respect to the submission of a proposal will be provided in an addendum which will be posted on Adelaide Metcalfe's Website (<https://www.adelaidemetcalfe.on.ca/doing-business/bids-and-tenders>) ONLY, by September 17, 2021 by 4:30 pm EST.

Only answers requesting clarification on the requirements for the submission of a Proposal will be answered.

### c) **Ownership**

At all times, all files used to create web pages, templates, images or other elements associated with this project, and all copyrights will belong to Adelaide Metcalfe and/or the Participating Municipality. Additionally, the Client may make subsequent changes to the delivered Services at the Client's discretion.

### d) **Confidentiality**

The Proponent acknowledges that any and all information relating to the business and affairs of Adelaide Metcalfe and/or a Participating Municipality are confidential and that in the event the Proponent is able to negotiate a contract with Adelaide Metcalfe and/or a Participating Municipality, any agreement with the Client will include a confidentiality clause requiring the strict protection of such confidentiality by the Proponent.

## 9) SUBMISSION OF PROPOSALS AND TIMELINE OF RFP EVENTS

### a) Submission of Proposals (M)(R)

Please ensure that your Proposal:

1. includes the name and contact particulars of the Proponent.
2. follows the flow of this RFP document, including numbering and structure.
3. include name, contact information, experience and qualifications of all primary team members who will work on this project.
4. provide for and addresses all mandatory (M) and rated (R) requirements of this RFP (see Section 5 of the RFP).
5. include a scanned copy of an original endorsed RFP Response Form (attached as Appendix A of this RFP).
6. include a scanned copy of the original endorsed AODA Contractor Compliance Statement Form (attached as Appendix B of this RFP).
7. must provide proof of insurance as per Section 7(a) of this RFP.
8. must include a copy of their WSIB Clearance Certificate.
9. **is submitted by email to Morgan Calvert (mcalvert@adelaidemetcalfе.on.ca) by October 5, 2021 by 2:00 pm EST.**

In the event you have any questions with respect to the requirements for the submission of a proposal pursuant to this RFP, you may submit questions as per Section 8b.

### b) Timeline of RFP Events

Event	Date
Posting of RFP <ul style="list-style-type: none"><li>• Adelaide Metcalfe's Website (<a href="https://www.adelaidemetcalfе.on.ca/doing-business/bids-and-tenders">https://www.adelaidemetcalfе.on.ca/doing-business/bids-and-tenders</a>)</li></ul>	September 7, 2021
Final date for submission of clarification questions	September 14, 2021 by 12pm EST
Posting of answers to clarification questions <ul style="list-style-type: none"><li>• Adelaide Metcalfe's Website (<a href="https://www.adelaidemetcalfе.on.ca/doing-business/bids-and-tenders">https://www.adelaidemetcalfе.on.ca/doing-business/bids-and-tenders</a>)</li></ul>	September 17, 2021 by 4:30pm EST

Deadline for receipt of proposals	October 5, 2021 by 2pm EST
Evaluation of proposals and Potential Award of RFP	During the week of October 11, 2021

# Appendix A

## RFP RESPONSE FORM (ACKNOWLEDGEMENT)

Request for Proposal  
RFP No. AM-07-2021  
Municipal Audit Services

I/We have read and understand this RFP, including all Addenda to this RFP, and hereby agree to all of the terms and conditions noted in this RFP and all Addenda thereto.

Dated at \_\_\_\_\_, Ontario this \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_ Name of Proponent (please print)

\_\_\_\_\_

\_\_\_\_\_ Address

\_\_\_\_\_ Telephone

\_\_\_\_\_ Facsimile

\_\_\_\_\_ Email

Per: \_\_\_\_\_ Signature of Proponent

\_\_\_\_\_ (Name), \_\_\_\_\_ (Position)

I have authority to bind the \_\_\_\_\_ (business type)

## Appendix B

### **AODA CONTRACTOR COMPLIANCE STATEMENT FORM**

I/We, certify that we are in **full compliance** with the Integrated Accessibility Standards Regulation (Ontario Regulation 191/11) under the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and have provided the necessary training to all staff (employees, agents, volunteers, or others for whom we are responsible).

I/We are required to comply with all relevant/applicable and any future additions or modification to legislation as they become enacted to accessibility standards and regulations.

In accordance with the training requirements of Ontario Regulation 191/11 the training that I/We provided includes the following content:

1. A review of the purpose and requirements of the Accessibility for Ontarians with Disabilities Act and the Human Rights Code;
2. The requirements of the Integrated Accessibility Standards Regulation;
3. The requirements of the Accessible Customer Service Standard Regulation;
4. Review of Adelaide Metcalfe Accessibility Policy

The necessary training will be delivered on an ongoing basis to all new staff (employees, agents, volunteers, or others for whom we are responsible) prior to providing goods or services to, or on behalf of, Adelaide Metcalfe or Participating Municipality.

I/We shall ensure that training records are maintained, including dates when training is provided, the number of personnel who received training and individual training records. I/We are to ensure that this information is available to Adelaide Metcalfe or Participating Municipality, any time during the Term of the Contract.

I/We shall only assign those staff who have successfully completed training in accordance with Ontario Regulation 191/11, to provide services to, or on behalf of, Adelaide Metcalfe.

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Company Name:

Address:

Town/City:

Postal Code:

Name(s):

Title(s):

Signature(s):

Date:

I/We have the authority to bind the Company.

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Training resources are available online for your convenience:

- Access Forward: Training for an Accessible Ontario <http://accessforward.ca/>
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For further information about the regulations please contact Adelaide Metcalfe  
Clerk: Mike Barnier

Phone: 519-247-3687

Email: [mbarnier@adelaidemetcalfe.on.ca](mailto:mbarnier@adelaidemetcalfe.on.ca)

**Accessible formats of this document are available upon request.**