

# **REQUEST FOR PROPOSALS**

## **EXTERNAL AUDITOR SERVICES**

July 5, 2017

## INVITATIONAL REQUEST FOR PROPOSAL

### EXTERNAL AUDITOR SERVICES

<b>From:</b>	Catulpa Community Support Services Inc.
<b>Issue date:</b>	July 5, 2017
<b>Inquiries:</b>	Direct all proposal-related inquiries to: Mitchell T. Stewart, CPA, CGA, Manager of Finance <a href="mailto:mstewart@catulpa.on.ca">mstewart@catulpa.on.ca</a> 705-733-3227 ext. 2246
<b>Submittal:</b>	Written proposals are due by August 25, 2017.  Response to RFP for Audit Services by: <b>Mail or delivery:</b> Mitchell T. Stewart, CPA, CGA Manager of Finance Catulpa Community Support Service Inc. 165 Ferris Lane Barrie, ON L4M 2Y1 <b>By e-mail:</b> Mitchell T. Stewart – <a href="mailto:mstewart@catulpa.on.ca">mstewart@catulpa.on.ca</a> Karen Hirstwood – <a href="mailto:khirstwood@catulpa.on.ca">khirstwood@catulpa.on.ca</a>  Any proposals received after the stated time and date will not be considered.
<b>Contract type:</b>	Fixed Price Agreement. Payment schedule to be negotiated following award.
<b>Budget:</b>	Pricing should reflect not-for-profit financial capacity.
<b>Selection process:</b>	Although this process is open, an interview may be performed with selected candidates and the chosen vendor will adhere to the confidentiality requirements of Catulpa Community Support Services Inc.
<b>Anticipated start date:</b>	April 1, 2017 – March 31, 2018
<b>Period of performance:</b>	One year, upon approval by the Board of Directors. Appointment and further annual renewals will be subjected to approval by the members at the Annual General Meetings.

## BACK GROUND INFORMATION

Catulpa Community Support Services is a registered non-profit agency funded by the Ministry of Community Social Services, the Ministry of Children & Youth Services, the County of Simcoe and Health Canada. Established in 1973, we offer in Simcoe County a wide range of services and supports to children and adults with a developmental delay, to those with complex and special needs, and to parents to assist in strengthening parenting skills and parent-child relationships.

### Our Mission

Improving the lives of people with special or unique needs by engaging and advocating for essential community services and supports.

### Our Vision

Our vision for the future encompasses a community where the people we serve are recognized and valued as contributing members of their community and are fully integrated into the activities of their communities. They have a variety of meaningful relationships, hopes, and dreams for the future.

### Our services include:

- Supports for children and adults who have developmental disabilities, and their families
- Wraparound services for families and individuals
- Early Intervention services
- CAP-C programs to promote the healthy development of children
- Supports for children with physical disabilities and their families
- Crisis Response for individuals with dual diagnosis
- Regional supports and Case Coordination for children with Complex Special Needs
- Inclusive Recreation Services

### Our Locations:

Our head office is located in Barrie, we also have offices in Collingwood, Midland, Orillia, Bradford, Alliston, Newmarket, Peterborough, Lindsay & Whitby

## GOVERNANCE OVERVIEW

The Board functions under the Carver Model of Governance, utilizing a policy framework that includes:

- Ends Statements
- Executive Limitations
- Board Executive Linkage
- Governance Process.

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Except for what belongs in By-Laws or enabling statutes, these categories of Board policy contain everything the Board has to say about values and perspectives that underlie all organizational decisions, activities, practices, budgets, and goals.

**Ends Statements:** The Board defines which human needs are to be met, for whom, and at what cost. Written with a long term perspective, these mission related policies embody the Boards long range vision.

**Executive Limitations:** The Board establishes the boundaries of acceptability within which staff methods and activities can responsibly be left to staff. These limiting policies apply to staff means rather than Ends.

**Board-Staff Linkage:** The Board clarifies the manner in which it delegates authority to staff as well as how it evaluates staff performance on provision of the ends and executive limitations policies.

**Governance Process:** The Board determines its philosophy, its accountability and specifics of its own job. The effective design of its own Board processes ensures that the Board will fulfill its three primary responsibilities:

- Maintaining links to the ownership.
- Establishing the four categories of written policies.
- Assuring executive performance.

Catulpa Ends Statements are in place to guide the organization staff and to enable the Board to monitor organizational performance. The Ends Statements are:

**A Strong & Cohesive Agency**

establishing a working environment which encourages positive open communication; agency and staff growth and development.

**Financial Sustainability**

encompassing sound financial planning, budgeting, effective and efficient use of resources (i.e. people, information, supplies/materials, facilities); revenue maximization.

**Involved & Satisfied Clients**

providing services that fulfil the mission, vision and values of Catulpa in meeting or exceeding client expectations and achievement of outcomes related to their goals.

**Strategic Alliances Within Our Community**

demonstrating leadership and establishing partnerships for resource sharing and collaborative service delivery, partners include families, private sector, other providers/agencies, government.

**Prevention**

to form service partnerships and work collaboratively with formal and informal supports to benefit the people we serve.

## THE TEAM

### OUR MANAGEMENT TEAM

Karen Hirstwood, Executive Director  
Mitchell Stewart, Manager, Finance Department  
Gisele Forrest, Director of Children's Services  
Kris Stojic, Manager, Community Resource Services  
Kim Latour, Manager, Manager Quality Assurance and Early Intervention Resource Teacher Program  
Murray Hutchings, Manager, Human Resources  
Lesley Watt-Robinson, Manager, Community Action Program for Children & Canada Prenatal Nutrition Programs  
Tami Clark, Communication Coordinator  
Louise Lemieux, Senior Executive Assistant

### OUR FINANCE TEAM

Mitchell T. Stewart, CPA, CGA, Manager of Finance  
Ms. Nancy Coutts, Certified Bookkeeper  
Ms. Tracey Becker, Accounting Clerk

## ACCOUNTING AND FINANCIAL REPORTING

Accounting, financial reporting and payroll are completed in-house. The software used is Microsoft Great Plains Dynamics (GP).

Catulpa's financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The financial statements have an additional Schedule of Program Revenues and Expenses that detail the revenues and expenses of A) Ministry of Children and Youth Services, B) Ministry of Community and Social Services, C) Public Health Agency of Canada, D) Other Grants/Projects, and E) Catulpa's other activities.

The Funding cycle contains the following elements:

- Major funding resources come from the Ministry of Children and Youth Services; Ministry of Community of Social Services and ; funds are received by EFT monthly
- Other contributions may be received by direct deposits or cheques

The Purchasing cycle contains the following elements:

- Use of purchase requisitions and RFP as part of the procurement procedures
- Manager of Finance, ED and Managers review and approve Invoices
- Dual signatures on cheques

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- Catulpa has multiple corporate Master Card Accounts; payment is made using online bill payment process with BOM. All expenses and EFT payment approvals adhere to our internal approval process.

The Payroll cycle contains the following elements:

- Approximately 85 employees, which include full time, part time, salaried, hourly and contractual staff
- Program directors/managers approve timesheets and submit to Accounting for processing
- Senior management reviews and approves twice monthly Payroll Register
- Benefits include group health insurance and contribution to the pension plan

20 M of total budget is flowed through as purchased services to individuals and clients.

Selected financial information as follows:

	<b>2017 (Audited)</b>	<b>2016 (Audited)</b>
Operating grant from Ministry of Children and Youth Services and Ministry of Community and Social Services	\$32,226,135	\$30,928,629
Other grants/projects	\$1,856,687	\$1,830,055
Expense recoveries, fund-raising and investment income	\$613,464	\$739,049
Salaries and Benefits	\$4,511,597	\$4,396,739
Other grants/projects	\$1,856,687	\$1,830,055
Building occupancy	\$392,859	\$356,729
Purchased services – client	\$27,151,194	\$26,065,259
Other operating costs	\$777,935	\$834,538
Net Surplus/(Deficit)	\$6,014	\$14,413

## SCOPE OF AUDIT SERVICES

### 1. Audit of Financial Statements of Catulpa Community Support Services Inc.

The auditor is responsible to attest that the identified financial statements are fairly presented in accordance with Canadian accounting standards for not-for-profit organizations (NFPO), and in accordance with the Corporations Act (Ontario).

The auditor will express an opinion on the financial statements based on its audit, conducted in accordance with Canadian generally accepted auditing standards.

**2. Review of Transfer Payment Annual Reconciliation Package (TPAR)**

The auditor is responsible to facilitate the completion of year-end financial statements for specific funders, such as the reviewing and attesting to the accuracy of the financial information in the Transfer Payment Annual Reconciliation Package (TPAR) for the Ministry of Children and Youth Services and Ministry of Community and Social Services

**3. Report to Finance Committee and Board (Management Letter/Audit Findings report)**

This report or letter provides recommendations to management, Finance Committee and the Board of Directors of any significant opportunities for internal controls improvement as well as report on the material and immaterial adjustments and non-adjustments found during the course of the audit.

**4. Preparation of Charitable Information Return**

The auditor will prepare the Charity Information Return and supporting schedules based on information provided by management.

**5. Audit of Retirement Plan for the Employees of Catulpa Community Support Services Inc.**

The Auditor will be required to audit and express an opinion of Catulpa's employees registered pension plan (Defined Contribution Plan) as specified by the Financial Services Commission of Ontario (FSCO).

**6. Attendance in meetings and presentation of financial statements**

The auditor is expected to meet with the Finance Committee and the Board of Directors of Catulpa to present the draft financial statements, and attend the Annual General Meeting of the membership in June of each year, if required.

## PROPOSAL CONTENTS

Firms should include as a minimum the following information:

**Firm Background**

- Firm structure and size
- Composition of audit clients similar to Catulpa
- Two (2) references that can be contacted as required by Catulpa

### Staff Composition

- Partner, Reviewing Partner, Manager and Audit Senior who will be assigned to the audit
  - Qualifications
  - Relevant experience
  - Length of tenure in firm
- Time breakdown by position
- The firms succession and continuity planning

### Audit Methodology and Approach

- Audit strategy determination
- Audit planning methodology and information gathering
- Materiality determination
- Communications (between members of audit team, audit team and Catulpa and audit team or partners and Audit Committee/Board)
- Decision making process for audit
- Independence
- Reporting deadlines management

### Fees

- Fees for next 3 years should be detailed by position and reporting requirement (listed above) element
- Hourly rates by staff/position
- Billing schedule
- A mechanism to set and agree upon future years audit fees

## MILESTONES

### RFP SCHEDULE

The following is a summary of the key dates in the RFP process. The RFP schedule is tentative and may be changed by New Path at its sole discretion.

Event	Date
RFP Release	July 5, 2017
Final Date for RFP Inquiries	July 24, 2017
RFP Closing Date – <b>Proposals to be received</b>	4:00 pm, August 31, 2017
Notification to successful Bidder	Sept. 15, 2017



## RFP SUBMISSION DETAILS

- One signed original of the proposal is required.

Should your firm be selected to appear before the Selection Committee, additional copies of the proposal may be required.

Response to RFP for Audit Services  
Mitchell T. Stewart, CPA, CGA  
Manager of Finance  
Catulpa Community Support Services, Inc.  
165 Ferris Lane, Barrie,  
ON L4M 2Y1

## RFP INQUIRIES

**Vendor to Catulpa inquiries:** All inquiries regarding this RFP should be directed via email to Mitchell Stewart, Manager of Finance at [mstewart@catulpa.on.ca](mailto:mstewart@catulpa.on.ca) The deadline for enquiries is **4:00pm August 31, 2017**.

**Addenda:** The issuance of addenda will be the only method recognized for revisions to the RFP document. Catulpa will make its best effort to issue addenda within a reasonable period of time.

**Catulpa to Vendor Inquiries:** Catulpa may need to contact bidders to request clarification about their proposal. Please provide both email and telephone contact information. In addition, Catulpa may request an in-person or teleconference meeting with bidders to gather more information on the bidder's qualifications or the proposed approach.

Catulpa **acknowledges that all recommendations provided in the proposal are preliminary**, and that a final timeline and strategy will be collaboratively developed once the contract is awarded.