



THE CITY OF WINNIPEG

REQUEST FOR QUALIFICATION

RFQ NO. 110-2010

REQUEST FOR QUALIFICATION FOR EXTERNAL AUDIT SERVICES

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PART B - REQUEST FOR QUALIFICATION INFORMATION

B1. DEFINITIONS

B1.1 When used in this Request for Qualification:

- (a) "**Business Day**" means any Calendar Day, other than a Saturday, Sunday, or a Statutory or Civic Holiday;
- (b) "**Calendar Day**" means the period from one midnight to the following midnight;
- (c) "**City**" means the City of Winnipeg as continued under The City of Winnipeg Charter, Statutes of Manitoba 2002, c. 39, and any subsequent amendments thereto;
- (d) "**City Council**" means the Council of the City of Winnipeg;
- (e) "**Contract**" means the combined documents consisting of the Request for Qualification package, Request for Proposal package and any documents and drawings referred to and incorporated therein together with any submissions required to be made by the Contractor after award, and all amendments to the foregoing;
- (f) "**Contract Administrator**" means the person authorized to represent the City in respect of the Request for Qualifications unless otherwise specified hereinafter;
- (g) "**Contractor**" means the person undertaking the performance of the work under the terms of the Contract;
- (h) "**may**" indicates an allowable action or feature which will not be evaluated;
- (i) "**must**" or "**shall**" indicates a mandatory requirement which will be evaluated on a pass/fail basis;
- (j) "**Person**" means an individual, firm, partnership, association or corporation, or any combination thereof, and includes heirs, administrators, executors or legal representatives of a person;
- (k) "**Proponent**" means any Person or consortium submitting a Qualification Submission in response to this Request for Qualifications;
- (l) "**should**" indicates a desirable action or feature which will be evaluated on a relative scale;
- (m) "**Site**" means the lands and other places on, under, in or through which the work is to be performed;
- (n) "**Submission or Qualification Submission**" means that portion of the Request for Qualification which must be completed or provided and submitted by the Submission Deadline;
- (o) "**Submission Deadline**" means the time and date for final receipt of Submissions;
- (p) "**Work**" or "**Works**" means the carrying out and the doing of all things, whether of a temporary or permanent nature, that are to be done pursuant to the Contract and, without limiting the generality of the foregoing, includes the furnishing of all Plant, Material, labour and services necessary for or incidental to the fulfilment of the requirements of the Contract, including all Changes in Work which may be ordered as herein provided.

B2. EXECUTIVE SUMMARY

B2.1 The City is engaging a qualified external auditor ("Auditor") to carry out attest audit services and reporting on its annual consolidated financial statements, as well as several other entities' individual financial statements, other financial information and compliance procedures (together, "external audit services").

B2.2 The external audit services required would be for the period from award of a contract through the year ending December 31, 2014, with the option of a mutually agreed upon five year extension.

B3. BACKGROUND

B3.1 The City of Winnipeg Charter Act directs the Chief Financial Officer to prepare annual financial statements of the City for submission to City Council and to the Province of Manitoba. The Act further directs the City Auditor, or a duly appointed external auditor, to perform audit procedures and report on these financial statements.

B3.2 Separate audit reports are also required for specific entity annual financial statements, as well as annual and other adhoc special reporting.

B3.3 Further and specifically, The Sinking Fund Trustees of The City of Winnipeg, including reports on plans they administer (Civic Employees Pension Plan, Winnipeg Police Pension Plan, etc.) are not included.

B3.4 The responsibility of the Auditor will be limited to the expression of an opinion on the financial statements and special reports, and will not include base accounting, preparation of financial statements, notes or schedules, or any other non-audit responsibilities.

B4. PURPOSE OF THE REQUEST FOR QUALIFICATIONS DOCUMENT

B4.1 The purpose of this Request for Qualifications (RFQ) is to identify experienced and capable Proponents to carry out external audit services.

B4.2 The City invites qualified professional accounting firms to submit a Qualification Submission in response to this RFQ.

B4.3 After receiving the Submissions to this RFQ, the City will review all Submissions received and shortlist up to four of the most qualified Proponents. Only those Proponents on the shortlist will be invited to further submit a more detailed proposal ("selected Proponents").

B5. SCOPE OF WORK

B5.1 Audit report on the annual consolidated financial statements of the City of Winnipeg;

B5.2 Separate audit reports for the following:

- (a) The annual financial statements of:
 - (i) Animal Services
 - (ii) Winnipeg Fleet Management Agency
 - (iii) Winnipeg Golf Services
 - (iv) Winnipeg Parking Authority
 - (v) City Council Pension Plan
- (b) Annual and adhoc special reporting of:
 - (i) Winnipeg Ambulance Department
 - (ii) Bill 57 – Compensation Disclosure
 - (iii) Library Services
 - (iv) Transit Department
 - (v) General Support Grant
 - (vi) Gas Tax Funding
 - (vii) Public Transit Capital Trust/Bill C66 Funding

(viii) Memorandums of Agreements in respect of contract renewals with unions.

B6. GENERAL CONDITIONS

B6.1 The *General Conditions for Supply of Services* (Revision 2007 04 12) are applicable to the Work of the Contract.

B6.1.1 The *General Conditions for Supply of Services* are available on the Information Connection page at The City of Winnipeg, Corporate Finance, Materials Management Division website at http://www.winnipeg.ca/matmgt/gen_cond.stm

B7. PROJECT SCHEDULE

B7.1 The City intends to complete the evaluation of the Qualification Submissions by March 19, 2010 and proceed with the issuance of an RFP by March 29, 2010.

B7.2 Details on the RFP schedule will be provided to the selected Proponents at the completion of the RFQ stage. The City intends to complete the RFP stage by May 2010.

B7.3 Estimated Preliminary Schedule

Phase	Approximate Date(s)
1. RFQ Submission Period	February 12 to February 26, 2010
2. Evaluation/Shortlist of Proponents	March 1 to March 19, 2010
3. RFP Submission Period	March 29, 2010 to April 23, 2010
4. Evaluation/Selection of Proponent	April/May 2010

B8. PROCUREMENT PROCESS

B8.1 The first phase of the procurement process for the Project is this RFQ. The City intends to invite no more than four Proponents to participate in the second stage of the procurement process, the RFP.

B8.2 Following completion of the RFQ stage, the selected Proponents will be invited to provide detailed proposals in response to an RFP.

B9. ENQUIRIES

B9.1 All enquiries shall be directed to the Contract Administrator identified in B10.

B9.2 Any Proponent who has questions as to the meaning or intent of any part of this document or who believes this document contains any error, inconsistency or omission should make an enquiry prior to the Submission Deadline requesting clarification, interpretation or explanation in writing to the Contract Administrator.

B9.3 If the Proponent finds errors, discrepancies or omissions in the document, or is unsure of the meaning or intent of any provision therein, the Proponent shall promptly notify the Contract Administrator of the error, discrepancy or omission at least five (5) Business Days prior to the Submission Deadline.

B9.4 If the Proponent is unsure of the meaning or intent of any provision therein, the Proponent should request clarification as to the meaning or intent prior to the Submission Deadline.

- B9.5 Responses to enquiries which, in the sole judgment of the Contract Administrator, require a correction to or a clarification of the RFQ will be provided by the Contract Administrator to all Proponents by issuing an addendum.
- B9.6 Responses to enquiries which, in the sole judgment of the Contract Administrator, do not require a correction to or a clarification of the RFQ will be provided by the Contract Administrator only to the Proponent who made the enquiry.
- B9.7 The Proponent shall not be entitled to rely on any response or interpretation received pursuant to B9 unless that response or interpretation is provided by the Contract Administrator in writing.

B10. CONTRACT ADMINISTRATOR

- B10.1 The Contract Administrator is:
Paul Olafson, CA
Corporate Controller

Telephone No. (204) 986-7986
Facsimile No. (204) 944-1184
Email: polafson@winnipeg.ca

B11. ADDENDA

- B11.1 The Contract Administrator may, at any time prior to the Submission Deadline, issue addenda correcting errors, discrepancies or omissions in the RFQ, or clarifying the meaning or intent of any provision therein.
- B11.2 The Contract Administrator will issue each addendum at least two (2) Business Days prior to the Submission Deadline, or provide at least two (2) Business Days by extending the Submission Deadline.
- (a) The Addenda will be available on the Bid Opportunities page at the Materials Management Division's website at <http://www.winnipeg.ca/matmgt/bidopp.asp>
- B11.2.1 The Proponent is responsible for ensuring that he has received all addenda and is advised to check the Materials Management Division's website for addenda regularly and shortly before the Submission Deadline, as may be amended by addendum.
- B11.3 The Proponent should acknowledge receipt of each addendum on Form A: Request for Qualification Application.

B12. CONFLICT OF INTEREST AND GOOD FAITH

- B12.1 Proponents must not include among their team, any business entity or individual who is, or is associated with, in any way, any consultant retained by the City in relation to the Project, including but not limited to consultants providing engineering, architectural, legal, process, finance or financial capacity advice or any Person likely to create a conflict of interest or a perception of conflict of interest.
- B12.2 If a Proponent considers that a particular relationship or association does not create a conflict of interest and will not create a perception of conflict of interest, but is concerned that the City could arrive at a different conclusion, the Proponent should fully disclose the circumstances to the City at the earliest possible date, and request that the City provide an advance interpretation as to whether the relationship or association will be likely to create a conflict of interest or a perception of conflict of interest.
- B12.3 The Proponent declares that in submitting its response to this RFQ, it does so in good faith and will disclose to the best of its knowledge, whether there are any circumstances whereby any

member of Council or any officer or employee of the City would gain any pecuniary interest, direct or indirect, as a result of the Proponent's participation in this Project.

- B12.4 Failure to comply with this provision may result in disqualification of your Submission from the RFQ process or, if the City becomes aware of your breach of this provision after the RFP has been issued, disqualification from the RFP process.

B13. CONFIDENTIALITY AND PRIVACY

- B13.1 Information provided to a Proponent by the City or acquired by a Proponent by way of further enquiries or through investigation is confidential. Such information shall not be used or disclosed in any way without the prior written authorization of the City. The Proponent shall not make any statement of fact or opinion regarding any aspect of the RFQ and any subsequent proposal to the media or any member of the public without the prior written authorization of the City.
- B13.2 The protection of personal information and privacy will be fundamental aspects of the Project. Proponents shall comply with all applicable privacy legislation, including but not limited to the Personal Information Protection and Electronic Documents Act (Canada) ("PIPEDA"). In addition, Proponents are advised that the City is subject to The Freedom of Information and Protection of Privacy Act (Manitoba) ("FIPPA") and that the Contractor will be expected to comply with the obligations imposed upon the City pursuant to FIPPA.
- B13.3 To the extent permitted, the City shall treat all Submissions as confidential. However, the Proponent is advised that any information contained in any Submission may be released if required by City policy or procedures, by FIPPA, by other authorities having jurisdiction, or by law.
- B13.4 All Qualification Submissions submitted to the City will be kept in confidence with the City for the sole purposes of evaluating and developing the best possible strategic option for the City. Qualification Submissions will become the property of the City. The City will have the right to make copies of all Submissions for its internal review process and to provide such copies to its staff and/or external advisors and representatives.
- B13.5 All information will become and remain the property of the City; none will be returned. If the application contains any proprietary or trade secret information, said information must be indicated as such.

B14. NON-DISCLOSURE

- B14.1 Proponents must not disclose any details pertaining to their RFQ and the selection process in whole or in part to anyone not specifically involved in their Submission, without the prior written approval of the City. Proponents shall not issue a news release or other public announcement pertaining to details of their Qualification Submission or the selection process without the prior written approval of the City.
- B14.2 Proponents are advised that an attempt on the part of any Proponent or any of its employees, agents, contractors or representatives to contact any members of City Council or their staff or any member of City Administration other than the Contract Administrator with respect to this RFQ solicitation, may lead to disqualification.

B15. NO COLLUSION

- B15.1 Upon making a Submission to this RFQ, each Proponent shall declare that they have not participated in any collusive scheme or combine.

B15.2 Proponents must ensure that their participation in this RFQ is conducted without collusion or fraud on their part or any of their team. Proponents and their team members shall not engage in discussions or other communications with any other Proponents or their team members regarding the preparation or submission of their responses to this RFQ. Breach of this provision may result in disqualification from the RFQ process or, if the City becomes aware of your breach of this provision after the RFP has been issued, from the RFP process.

B16. NO LOBBYING

B16.1 Any form of political or other lobbying whatsoever in relation to the Project or with a view to influencing the outcome of this RFQ process is strictly prohibited. Failure to comply with this provision may result in disqualification from the RFQ process or, if the City becomes aware of your breach of this provision after the RFP has been issued, disqualification from the RFP process.

SUBMISSION INSTRUCTIONS

B17. SUBMISSION DEADLINE

- B17.1 The Submission Deadline is 4:00 p.m. Winnipeg time, February 26, 2010.
- B17.2 The Contract Administrator or the Manager of Materials may extend the Submission Deadline by issuing an addendum at any time prior to the time and date specified in B17.1.
- B17.3 Qualification Submissions will not be opened publicly.
- B17.4 Qualification Submissions determined by the Manager of Materials to have been received later than the Submission Deadline will not be accepted and will be returned unopened.
- B17.5 The Qualification Submission should be submitted enclosed and sealed in an envelope clearly marked with the RFQ number and the Proponent's name and address.
- B17.6 Qualification Submissions submitted by facsimile transmission (fax) or internet electronic mail (e-mail) will not be accepted.
- B17.7 Qualification Submissions shall be submitted to:
- The City of Winnipeg
Corporate Finance Department
Materials Management Division
185 King Street, Main Floor
Winnipeg MB R3B 1J1

B18. QUALIFICATION SUBMISSION

- B18.1 The Qualification Submission should consist of the following components:
- (a) Form A: Request for Qualification Application (Section A); and
 - (b) Experience of Proponent (Section B)
- B18.2 All requirements of the RFQ should be fully completed or provided, and submitted by the Proponent no later than the Submission Deadline, with all required entries made clearly and completely to constitute a responsive RFQ.
- B18.3 Proponents are advised that inclusion of terms and conditions inconsistent with the RFQ document will be evaluated in accordance with B24.1(a).
- B18.4 All Submissions received in response to this RFQ will be kept in confidence with the sole purposes of evaluating and developing the best possible strategic option for the City.
- B18.5 Submissions and the information they contain will be the property of the City upon receipt. No Submissions will be returned.

Format

- B18.6 Proponents should submit one (1) unbound original (marked "original") and six (6) copies plus one (1) copy in an MSOffice compatible electronic format on a standard CD. If there is any discrepancy between the electronic version and the original hard copy, the original hard copy shall take precedence.
- B18.7 The City reserves the right to make additional copies of all Submissions for its internal review process and to provide such copies to its staff and external advisors.

B19. FORM A: REQUEST FOR QUALIFICATION APPLICATION

- B19.1 Further to B18.1(a), the Proponent shall complete Form A: Request for Qualifications Application, making all required entries.
- B19.2 Paragraph 2 of Form A: Request for Qualifications Application shall be completed in accordance with the following requirements:
- (a) if the Proponent is a sole proprietor carrying on business in his own name, his name shall be inserted;
 - (b) if the Proponent is a partnership, the full name of the partnership shall be inserted;
 - (c) if the Proponent is a corporation, the full name of the corporation shall be inserted;
 - (d) if the Proponent is carrying on business under a name other than his own, the business name and the name of every partner or corporation who is the owner of such business name shall be inserted.
- B19.2.1 If the Submission is submitted jointly by two or more persons, each and all such persons shall identify themselves in accordance with B19.2.
- B19.3 In Paragraph 3 of Form A: Request for Qualifications Application, the Proponent shall identify a contact person who is authorized to represent the Proponent for purposes of this RFQ.
- B19.4 Paragraph 7 of Form A: Request for Qualification Application should be signed in accordance with the following requirements:
- (a) if the Proponent is sole proprietor carrying of business in his own name, it shall be signed by the Proponent;
 - (b) if the Proponent is a partnership, it shall be signed by the partner or partners who have authority to sign for the partnership;
 - (c) if the Proponent is a corporation, it shall be signed by its duly authorized officer or officers and the corporate seal, if the corporation has one, should be affixed;
 - (d) if the Proponent is carrying on business under a name other than his own, it shall be signed by the registered owner of the business name or by the registered owner's authorized officials if the owner is a partnership or a corporation.
- B19.5 The name and official capacity of all individuals signing Form A: Request for Qualification Application should be printed below such signatures.
- B19.6 All signatures should be original.
- B19.7 If a Submission is submitted jointly by two or more persons, the word "Proponent" shall mean each and all such persons, and the undertakings, covenants and obligations of such joint Proponents in the Submission, shall be both jointly and several.

B20. EXPERIENCE OF PROPONENT

- B20.1 Further to B18.1(b), the Proponent should submit information in sufficient detail for the City to evaluate the qualifications of the Proponent by providing:
- (a) a profile of the firm including, but not limited, to the following:
 - (i) size of the firm;
 - (ii) size of the firm's municipal audit group; and
 - (iii) description of the quality assurance, quality control, and peer review programs within the firm.
 - (b) proposed senior engagement personnel (engagement team partners, senior managers, etc.) including, but not limited, to the following:

- (i) individual capabilities, respective roles and availability;
 - (ii) experience with PSAB accounting standards;
 - (iii) relevant educational background including any specialized training over the past three years; and
 - (iv) any specialized skills or other background pertaining to public sector clients.
- (c) a list of engagements similar in size, scope and relevance;
- (i) for the firm;
 - (1) indicate the type(s) of services performed, the number of years served for each and the local offices which served the client; and
 - (ii) for each project team member proposed in 20.1(b).
- (d) the firm's experience in providing auxiliary services to public sector clients by detailing the type of service provided, the client, and the local office providing this service.

B20.2 References may be requested from the Proponent after Submission and prior to determination of the selected Proponents.

B21. SUBSTITUTIONS

B21.1 If, following your Submission, you become aware that any Persons identified to participate in this Project will be unable or is likely to be unable to participate on this Project, you must immediately advise the Contract Administrator and indicate your proposed substitute Person. Failure to do so may result in disqualification of your Submission from the RFQ process or, if the City becomes aware of your breach of this provision after the RFP has been issued, from the RFP process.

B22. NON-CONFORMING SUBMISSIONS

B22.1 Notwithstanding B18.1, with the exception of B17.4, if a Proponent's Submission is not strictly in accordance with any provision of this RFQ, the City may, at its option:

- (a) waive the non-conformance if, in the City's opinion, the non-conformance is immaterial; or
- (b) reject the Submission as non-responsive if, in the City's opinion, the non-conformance is material.

B22.1.1 If the non-conformance is an omission, the City may, at its discretion, give the Proponent up to five (5) Business Days to supply the omitted material.

B22.2 If the requested information is not submitted by the time specified in B22.1.1, the Submission will be determined to be non-responsive.

B23. PROPONENT'S COSTS AND EXPENSES

B23.1 Proponents are solely responsible for their own costs and expenses in preparing and submitting a Qualification Submission and participating in the RFQ, including the provision of any additional information or attendance at meetings.

EVALUATION

B24. EVALUATION CRITERIA

B24.1 Proponents will have their Submissions evaluated in accordance with the criteria and weight factors indicated below:

EVALUATION CATEGORY	WEIGHTING (%)
(a) Conformance to Mandatory Requirements or acceptable deviation therefrom.	Pass/Fail
(b) Experience of Proponent	100
TOTAL	100

B24.2 Further to B24.1(a) and B22, the City may reject a Submission as being non-responsive if the Submission is incomplete, obscure or conditional, or contains additions, deletions, alterations or other irregularities. The City may reject all or any part of any Submission, or waive technical requirements or minor informalities or irregularities if the interests of the City so require.

B24.3 Further to B24.1(b), experience shall be evaluated considering the information submitted in reference to the Proponent’s organization, proposed engagement team senior personnel, and related experience.

B24.4 Reference checks confirming information provided may not be restricted to only those submitted by the Proponent, and may include organizations representing Persons known to have done business with the Proponent.

B24.5 The City has full power to conduct an independent verification of information in any Submission received and generally pertaining to the qualifications and experience of the Proponent and any proposed members of its team.

B24.6 The City may, in its sole discretion, interview any or all Proponents during the evaluation process, to provide clarification or additional information in relation to its Submission.

B24.7 In order for any Submission to be considered qualified, the Submission must obtain a minimum of 70% of the evaluation points.

B25. NO CONTRACT

B25.1 By submitting a Qualification Submission and participating in the process as outlined in this document, Proponents expressly agree that no contract of any kind is formed under, or arises from this RFQ, and that no legal obligations will arise. The City will have no obligation to enter into negotiations or a Contract with a Proponent, even though one or all of the Proponents are determined to be responsible and qualified, and the Submissions are determined to be responsive.

- B25.2 The City reserves the right and the full power to give notice in writing of any change to its Contract Administrator, amend any dates, schedules, limits and Scope of Work and any contract awarded, or to reject any and all Submissions, to launch a new or amended procurement process, or to decide that it will not issue the RFP, without incurring any liability in respect of costs or damages incurred by any Proponent or any member of a private sector team.
- B25.3 Without limiting the generality of the foregoing, the City reserves the right and the full power to amend or cancel this RFQ, the procurement process or the Project at any time.
- B25.4 If the City proceeds to request a more detailed proposal, only to Proponents determined to be qualified under the RFQ process, the City will have no obligation to award a Contract where:
- (a) only one Submission is received; or
 - (b) in the judgment of the City, the interests of the City would best be served by not entering into a Contract.
- B25.5 The City reserves the right to disqualify any Proponent whose Submission, in the opinion of the City, contains false or misleading information.
- B25.6 Following the conclusion of the RFQ process, Proponents will be provided with information related to the evaluation of their Submission upon written request to the Contract Administrator.