



## **Request for Proposal: For External Auditor**

### **INTRODUCTION**

The Abbotsford Community Foundation (ACF) is a not-for-profit organization charitable organization that focuses on the growth of endowment funds to support local grant-making, capacity building and charitable sector collaboration. Since its inception over 40 years ago, ACF has granted over \$19 million back into the community. By connecting donors with causes they care about, we're able to invest in our local community, creating a lasting impact today, tomorrow, and forever.

Currently, our endowment asset is valued at ~\$20 million with an annual operating budget of just over \$400,000. ACF operates on a calendar year basis: Jan 1 - Dec 31st.

**ACF prefers to have an audit opinion on its annual financial statements, and audit service proposals are being requested from qualified accounting firms for the upcoming five-year term beginning with the year ending December 31, 2024.**

This Request for Proposal (RFP), and supporting documentation supplied with it, define the content required for your proposal. We request that you structure your response in accordance with the requirements contained in this document. These criteria will demonstrate the qualifications of the proponent and assist in determining whether a response is complete.

### **SCHEDULE OF EVENTS**

The following schedule is planned. ACF reserves the right to modify this RFP or change the schedule at any time.

<b>Event</b>	<b>Expected Date</b>
RFP Issued	August 19, 2024
End of opportunity to raise questions re: RFP	September 13, 2024
RFP submission deadline	September 27, 2024, 4:00 pm
Finance & Audit Committee recommendation	October 14, 2024
Final selection of service provider: ACF Board meeting	October 24, 2024
End of opportunity to request feedback on submissions	November 8, 2024



## **SCOPE OF EXPECTATIONS**

An auditor is appointed to conduct an annual audit of ACF financial records that will enable the auditor to express, on the basis of sufficient audit evidence, an opinion on the fairness of the presentation of the December 31st ACF annual financial statements in accordance with accounting standards for charitable organizations

The deadline for the presentation of the audited financial statements to the Finance and Audit Committee and Board of Directors would be approximately the end of March each year.

### **Auditor Report/Management Letter**

During the engagement, the Auditor should report:

- Deficiencies in internal controls or issues that come up that are of sufficient importance to merit the attention of Management and/or the Board of Directors
- Any relative business advisory recommendations
- Significant or unusual transactions entered into by ACF that Management and/or the Board should be aware of
- Any lack of compliance with financial or other relevant legislation

The auditors must immediately upon discovery of information or conditions, which would otherwise lead to a qualified opinion with respect to the financial statements, inform and discuss such matters with the appropriate staff. In addition, the auditors must, allow a reasonable period of time for the Foundation to make an investigation, analyze, report and take such corrective action as to avoid the inclusion of such qualification.

## **EXPECTED DELIVERABLES AND SERVICES**

Other requirements to deliver timely and appropriate services to ACF such as:

- Prepare an auditor's report and management letters in a format consistent with accounting standards for charitable organizations
- Discuss the auditor's report and management letters with Management, Finance & Audit Committee and the Board of Directors prior to distribution
- Representation letter prior to commencing the audit
- Complete scope of work
- Ease of accessibility to the ACF
- Preparedness to respond to limited time frames
- Direct consultation with the ACF Finance and Audit Committee and Board of Directors.
- To be available to attend meetings to present and report on the annual audit or other specific matters for which support is requested.



## **REQUIREMENTS FOR PROPOSALS**

### 1. Professional information

Proposals must include information of a general nature explaining the firm, current staffing expertise and the types of clients served by the firm. Proponents are requested to describe their experience and resources as it relates to not-for-profit audits, registered charities, and community foundations.

In addition, specific information is requested for those staff members who are proposed to assist in the audit of the ACF. This should include:

- Name and credentials
- Training and experience
- Position and area of practice
- Proposed relationship to the client
- Individual fee scale

### 2. Transition

The proposal shall include a description of the proponent's requirements to assume work on behalf of the ACF. State in detail all assumptions and recommendations about the manner in which the ACF's audit will be transferred and include resources and time requirements for the proponent.

### 3. Audit approach

Proposals shall include a description of the audit approach that will be used for the ACF's audit, including a statement of the understanding of the work to be done, audit approach and commitment to perform work within the time period. Describe how your firm will approach the audit of the Foundation, including the areas that will receive primary emphasis. Also discuss the communication process you use to discuss issues with management and the Finance and Audit Committee of the Board.

General audit strategies and methodologies employed, including but not limited to:

- business risks, internal control, and use of technology
- The depth of perceived audit needs and understanding of the key issues facing ACF. Implications of these issues for the audit conduct and specific audit strategies and methodologies, including but not limited to: audit procedures, and report deliverables.
- A planned audit approach outlining the substantive versus control testing to be completed
- A time budget, including estimated total hours for the audit team, broken down by role, etc.

### 4. Costs

Proposals shall include a detailed description of all costs and recommended methods of billing and payment. Where applicable, proposals must include all taxes, rates and charges applicable at the time the proposal is awarded. For comparative purposes, it is preferable that cost information be reported in the following manner:



### Annual Audit

- Fee scales associated with various members of the firm who will be assigned to the audit.
- Anticipated hour requirement to complete audit.
- Total audit cost.
- Items which would be assumed to be provided by the ACF staff in order to reduce costs.
- Whether or not the total audit costs above are fixed or if they will vary as the actual hours vary, or whether costs will vary from year to year.

### Other Services

- Services to be charged at a flat rate and fee requested for each.
- Services to be charged at an hourly rate and the rates to be charged.

### General Information

- Disbursement items charged.
- Other charges or charging methods proposed.

### 5. Value-added services

Proposals should describe the methodology to be used for keeping the Foundation abreast of any changes in accounting standards, or legislation that impact financial reporting.

Proposals should describe the firms experience in providing additional services to other charities, not-for-profit or community foundations, and the nature of such services.

### 6. References

At least three (3) references from comparable organizations must be provided. Please include the name of a contact person, position, email address, and phone number and submit with your proposal.

## **SUBMISSION REQUIREMENTS**

**Please email proposals to ensure receipt by ACF prior to 4:00 pm, September 27, 2024.**

**Email: [arenik@abbotsfordcf.org](mailto:arenik@abbotsfordcf.org)**

**Attention – Areni Kelleppan, Executive Director, Abbotsford Community Foundation**

- Late proposals will not be accepted.
- Respondents are advised that any proposal may be disqualified if an unfair advantage has been gained through conflict of interest, collusion, or the improper assistance of a ACF stakeholder.



### **PROPOSAL REGULATIONS**

ACF reserves the right to reject any or all proposals or parts thereof and the lowest priced proposals may not be accepted.

All proposals shall be and remain irrevocable unless withdrawn prior to the designated closing time.

No fees or other payments will be made to the auditors for any cost incurred in the preparation and submission of the proposal or for participation in this RFP process.

The selection of any auditor by ACF as the preferred ACF auditor shall not constitute a contract between the ACF and the auditor. Any contractual relationship to be established between the parties will be governed by the provision of the engagement letter.

### **QUESTIONS CONCERNING THE REQUIREMENTS**

Questions regarding the RFP should be directed to:

Areni Kelleppan, Executive Director, Abbotsford Community Foundation  
[Arenik@abbotsfordcf.org](mailto:Arenik@abbotsfordcf.org) or 604.850.3755 ext.1

ACF reserves the right to make any questions & answers available to all other auditors at its discretion.

ACF will respond to requests for clarification as soon as is reasonably possible in writing or orally as deemed appropriate in the circumstances.

### **EVALUATION PROCEDURE**

All proposals will be evaluated for completeness and suitability of the requirements. Auditors will be contacted, if necessary, to clarify any major items in question. Further discussion may be required during the proposal evaluation stage. Based on the analysis of the proposals, a ranking of auditors will be established based on the ability to meet the present and future needs of ACF.

### **SUPPLEMENTARY INFORMATION PROVIDED**

- [Previous Audited Financial Statements up to and including December 31, 2023](#)