

Edmonton Folk Music Festival Society
Request for Proposal
Audit of Financial Statements



EDMONTON
FOLK MUSIC
FESTIVAL

1. Introduction

The **Edmonton Folk Music Festival Society (EFMFS)** is seeking proposals from qualified CPA firms to audit its financial statements for the fiscal year ending January of each fiscal year.

These audits are to be performed in accordance with generally accepted auditing standards and financial statements are to be prepared in accordance at a minimum with Canadian Generally Accepted Accounting Principles applicable to not for profit organizations. The Edmonton Folk Music Festival Society is a charitable society registered under the Societies Act of Alberta.

2. Background

The Edmonton Folk Music Festival Society is a charitable society registered under the Societies Act of Alberta and is dedicated to presenting and promoting folk music in all its diversity in Edmonton and Alberta, via an annual festival called the **Edmonton Folk Music Festival (EFMF)**.

Beginning in 1980 with one staff and 300 volunteers, the Edmonton Folk Music Festival has grown and matured to become one of the leading folk festivals in the world. Now boasting a volunteer force of over 2500, the festival is a charitable not-for-profit society dedicated to bringing in the best of folk music from Edmonton, Canada, and around the world.

3. Project Objective

The objective of the audit is to express an opinion, as to whether the financial statements of the EFMFS present accurately and fairly in all material aspects as follows:

- Statement of financial position as at January 31.
- Statement of changes in the assets for the year just ended
- Statement of operations for the year end
- Statement of cash flows for the year just ended; and
- Notes to the financial statements which include significant accounting policies and their explanatory information.
- Independent Auditor's report

Management will prepare the supporting documentation for the financial statements that will be subject to audit and these documents will be available to the Auditor. The auditor should advise the EFMFS on the extra expense if the Auditor is requested to prepare the supporting documents for the financial statements on the EFMFS' behalf.

During the engagement, the Auditor should report:

- Significant or unusual transactions entered into by EFMFS that Management and/or the Board of Directors should be made aware of
- Deficiencies in internal controls that are of sufficient importance to merit the attention of Management and/or the Board of Directors;
- Any disagreements with Management about matters which are significant to the organization's financial statements;
- Lack of compliance with the Financial Management and Controls Policy;
- Lack of compliance with financial or other relevant legislation; and/or
- Lack of accountability in the use and management of EFMFS' assets.

Any such instances should be reported in the management letter.

4. Expected Deliverables

The Vendor will adhere to all guidelines, timelines and requests specified in this RFP. Deliverables include but are not limited to:

- Prepare an auditor's report and management letters in a format consistent with generally accepted auditing standards;
- Discuss the auditor's report and management letters with Management and present this as well as the draft of the Financial Statements to the Audit Committee prior to their distribution;
- Representation letter prior to commencing interim audit;
- Attend the Annual General Meeting and be available for comment or questions from the membership.
- Meet audit or reporting requirement dates as set out below. Provide a management letter that identifies areas of concern or weaknesses found, recommendations for improvement, and management's response on any concerns identified;
- Complete scope of work;
- Schedule meetings with EFMFS Management; and arrange for mutually agreed upon timelines for on-site work and dates of official audit.
- Provide required reporting to EFMFS Management and Audit Committee.

Key deliverables for year ending January 31, 2025 & timing relating to audit as follows.	Key Dates
Naming of event counter to audit practices and processes at the festival. Audit attendance required.	Early July
Set audit dates and request for any early documents and engagement agreement.	November/December
Completion, presentation and review of draft financial statements and management letter to Finance Committee	Early April
Board meeting to review and approve final audited financial statements and management letter	April
Annual General Meeting	April

5. Guidelines

5.1 Key EFMFS Contact

Richard Stuart and Shauna Stewart will be the EFMFS contacts for this project. Direct all inquiries related to this RFP to:

Richard Stuart
Administrator
Email: admin@edmontonfolkfest.org
Tel: 780-429-1899

Shauna Stewart
Associate Administrator
Email: admin2@edmontonfolkfest.org
Tel: 780-429-1899

5.2 RFP Questions and Answers

Each Vendor is solely responsible for ensuring that it has all information necessary to prepare its proposal and for independently verifying and informing itself with respect to any terms or conditions that may affect this proposal.

5.3 Acceptance of Proposal

EFMFS reserves the right to reject any or all proposals or to accept the proposal(s) deemed most favorable to EFMFS. All proposals must include a statement of authorization to submit a proposal signed by a principal of the Vendor.

Following the evaluation of the submitted proposals, EFMFS may consider entering into negotiations for a contract with any prospective Vendor it believes best meets the needs and expectations and offers the best overall content and value. The solicitation of proposals does not in any way commit EFMFS to accept any proposals or to commence negotiations with any Vendor, and the submission of a proposal does not constitute a legally binding agreement between EFMFS and any Vendor.

EFMFS reaffirms its right to make any selection it deems prudent and responding firms or individual participants acknowledge through their participation that such selection is not subject to protest or contest.

EFMFS is not bound to negotiate with the lowest costs or any Vendor.

EFMFS reserves the right to:

- Not award a contract as a result of this RFP;
- Award contracts to one or more Vendors;
- Modify the tasks based on negotiation with Vendors and/or reduce scope based on proposed costs or any other reason;
- Award a contract to the same Vendor(s) or different Vendor(s) for multiple years.

The life of the contract is expected to last five (5) years with a review after one (1) year.

6. Proposal Requirements

6.1 Declaration of No Conflict of Interest

The Vendor must declare any real, potential or apparent conflict of interest related to working on this project in their submission

6.2 RFP Submissions

Submit an electronic copy of your proposal to the contact as indicated in section 5.1. All responses must be received on or before 4PM EST on April 12, 2024.

The Vendor's proposal must include and address the following:

a) An Executive Summary

The Vendor shall briefly summarize the key aspects of the proposal and the primary contact person for the prospective Vendor

b) Technical Proposal

- Introduce the Audit firm and audit team, including the capability of the firm and team.
- Provide a statement declaring the Vendor has no conflict of interest.
- Provide a description of the Vendor's history, experience and recent relevant audits, ideally noting experience in not-for-profit agencies.
- Demonstrate understanding of the scope and
- Provide a description of Vendor's abilities related to audit services. Clearly outline if any services will be outsourced.
- Identify the person(s) who would be involved in the audit, their proposed role on the audit, and their experience and qualifications to fulfill that role.
- Describe any professional and technical services that will be called upon to assist in the audit.
- Indicate the Vendor's ability to meet the timelines as set out herein.
- Provide a detailed description of the Vendor's proposed audit strategy, its processes and deliverables.
- Provide a proposed timeline for each component of the audit services to be provided.
- Include the methodology and approaches that would be used in carrying out the audit.
- Include at least two (2) client references (names, phone numbers and email addresses) who may be contacted to confirm the satisfactory delivery of service by key team member(s) on previous assignments.
- Provide a description of any value-added services.

c) Financial Proposal

The financial proposal must include all Vendor costs associated with meeting all deliverables and requirements. Respondents may propose to invoice on an interim or final cost basis. All invoices must clearly identify the costs associated.

Mandatory Requirements Check

Submissions that do not include the mandatory information below may not be scored and can be rejected:

1. Audit proposal work plan and timeline.
2. Audit methodology proposed to complete the audit.
3. A cost quotation that has all inclusive costs for the proposed work which will be performed for the first fiscal year and for each subsequent year.
4. Costs identified in the proposal that clearly establish the basis of remuneration identifying both the hours of work and hourly rates for appropriate categories of audit staff and appropriate out of pocket expenses. Costs identified will also include in kind services such as tickets to the Edmonton Folk Music Festival.
5. Metrics that will demonstrate security of systems with EFMFs data.

7. Evaluation Process and Criteria

The evaluation process to determine the successful Vendor(s) will involve both qualitative and quantitative elements. As a general framework, all proposals presented by Vendors will be evaluated in the context of the overall value that it brings to the agency. Proposals will be reviewed and ranked on the following criteria and scored out of a 100 point total as follows:

Technical Criteria will be evaluated first. Vendors must achieve a rating of 75% or more (a score of 60 out of 80) on the Technical Criteria before EFMF will consider their Financial Criteria.

Technical Ranking Criteria	Percentage
Demonstrate understanding of project goals	10%
Approach and methodology	10%
Innovation and creativity in approach	10%
Qualifications of project team and firm's relevant experience	25%
Experience with Not for Profit Sector	10%
Value added services	5%
Project timelines	10%
Total Technical	80%

Financial Ranking Criteria	Percentage
Total cost for audit service for financial year 2024	10%
Total costs for subsequent years	10%
Total Financial	20%