

## **ADDENDUM No. 1 Dated May 4, 2017**

### **RP213-2017-02**

#### **For Financial and Audit Services**

**INSERT** the day and time for Interviews to Section 1.7 RFP Timetable and Process, and where stated throughout the RFP and issued with this Addendum.

**PROPOSER INTERVIEWS** are scheduled for **Wednesday May 24<sup>th</sup>, 2017 between 8:30am and 1:30pm.**

End of Addendum No. 1

### **Questions & Answers**

Please see the answers below regarding any questions raised in relation to this RFP.

**1. Question:**

The request for proposal (RFP) mentions that proponents should also submit one electronic copy by the submission deadline. Please clarify if we are to submit an electronic copy of “financial part” and “technical part” via separate email or include both in same email.

**Answer:**

Both the financial and technical electronic files can be in one email or 2 separate emails. For your reference Section 1.10 states “The Proponent should submit pricing (Schedule C) in a separate sealed package or separate electronic file from the rest of the Proposal (see Section 1.3).”

**2. Questions:**

What is the reason for issuing this RFP?

**Answer:**

The current auditor has been the Partnership’s auditor for a number of years. As a publicly funded organization, it is important to periodically competitively procure audit services to ensure the Partnership demonstrates accountability, value for money, and that the auditor is independent of management.

**3. Question:**

Have the incumbent auditors been invited to submit a proposal?

**Answer:**

The incumbent auditor is aware of the opportunity and is permitted to submit a proposal.

**4. Question:**

In order to provide a competitive and transparent bidding process many organizations provide details of audit fees incurred in prior years as part of the RFP process. Will the Canadian Partnership Against Cancer (CPAC) be providing details of audit fees charged by the incumbent auditor, including additional fees charged, if any, for assistance related to accounting matters, financial statement disclosures and any other advice provided to the CPAC for the year ended March 31, 2017.

**Answer:**

The average audit fee for the past several years is \$30,000. In addition, assistance has been provided for the services related to points 2) and 3) on page 18 of the RFP.

**5. Question:**

Would you please highlight the CPAC's biggest challenges, both operational and financial, at present and, at a high level, the CPAC's current plan to manage these challenges?

**Answer:**

The federal government created the Partnership in 2007 with an initial five-year mandate and \$250 million to implement the Canadian Strategy for Cancer Control, as well as to assess whether this model was an effective model in improving cancer control in Canada. The single biggest challenge has been the creation of the Partnership, the cancer control programs and an underlying operational foundation, where none existed prior to 2007.

**6. Question:**

If you were going to pick one aspect of the incumbent auditor's service or performance that you would improve, what would it be?

**Answer:**

The Partnership performs an annual evaluation of its auditor. Past years' evaluations have been good.

**Financial Statements:**

**7. Question:**

Does CPAC translate the financial statements and related notes into French?

**Answer:**

Yes. This is noted on page 17 of the RFP and is the responsibility of the auditor.

**8. Question:**

Were there recorded and/or unrecorded audit adjustments from last year's audit? If so, can we obtain a copy? At a minimum provide details on the nature of the adjustments.

**Answer:**

No.

**9. Question:**

Have you budgeted for a significant increase or change in operations in fiscal 2018?

**Answer:**

The budget for fiscal 2018 is \$39.9 million noted on page 19 of the RFP. It represents a significant decrease from the fiscal 2017 budget of \$68 million. Fiscal 2018 marks the first year of a new 5-year strategic plan with a significant proportion of new programs, expenditures for which will ramp up through the 5-year period.

**Audit Related:**

**10. Question:**

Has there been any fraud in the last three years? If so, please indicate the nature of the fraud.

**Answer:**

No.

**11. Question:**

Were there any significant weaknesses in internal controls noted by your external auditor for the last fiscal period? If so, can we obtain a copy of management letter issued? At a minimum please provide details on the nature of internal control deficiencies noted.

**Answer:**

No.

**12. Question:**

It would be helpful if you could provide further information to assist us in putting together a meaningful and accurate fee estimate as follows:

- a. Please provide total weeks (including number of staff) incumbent auditors were present at the organization. Or please provide total number of hours spent by the current auditor on the engagement.
- b. Typically has there been an interim audit performed (or has all fieldwork been completed at year-end)?
- c. Did the incumbent auditors assess the IT environment as being effective or ineffective?
- d. Do your current auditors place any reliance on controls (i.e. did the incumbent auditors test internal controls or were their audit procedures predominately substantive in nature)?

**Answer:**

- a. Approximately 3 weeks, one week being interim audit planning
- b. Yes
- c. See d. below.
- d. No. Audit is substantive based.

**Business Processes:**

**13. Question:**

What accounting system does the organization use?

**Answer:**

Unit4 Business World (Agresso)

**14. Question:**

Are there any significant changes to operations or business processes?

**Answer:**

No.

**15. Question:**

Are there any planned changes to the IT systems?

**Answer:**

No.

**16. Question:**

Are there controls over the cash disbursements and payroll process?

**Answer:**

Yes.

**17. Question:**

Are any business cycles outsourced (e.g. payroll, investments, IT)?

**Answer:**

The Partnership uses Ceridian as its payroll provider. Investments are handled by an investment firm in accordance with a Board of Directors' approved investment policy. The Partnership's IT infrastructure is maintained by the Partnership's IT service provider.

**18. Question:**

Where can I get a copy of the latest audited financial statements along with the auditors' report?

**Answer:**

The full 2015/16 annual report including the audited financial statement and auditors' report are available on the Partnership's website at the following link

<http://www.partnershipagainstcancer.ca/wp-content/uploads/2016/07/cpac-annual-report-2015-16-en-final2.pdf>.