

# **REQUEST FOR PROPOSALS**

## **FOR**

### **Audit and Financial Statement Preparation Services**

#### **For the Public Schools Branch**

<b>Request for Proposal Number:</b>	5384
<b>Date Issued:</b>	October 29, 2019
<b>Submission Deadline:</b>	November 15, 2019

## PART 1 – INVITATION AND SUBMISSION INSTRUCTIONS

### 1.1 Invitation to Proponents

This Request for Proposals (the “RFP”) is an invitation by the Public Schools Branch (“the “Branch”) to prospective proponents to submit proposals for the provision of **Financial Statement Audit Services and Financial Statement Preparation** as further described in the RFP Particulars (Appendix D RFP Particulars)

The Public Schools Branch encompasses all fifty six (56) English public schools across Prince Edward Island and serves approximately 19,000 students from Kindergarten to grade 12.

### 1.2 RFP Contacts

For the purposes of this procurement process, the “RFP Contacts” shall be:

Blake Crockett, CPA, CA  
Financial Services Coordinator  
Public Schools Branch  
[bocrockett@edu.pe.ca](mailto:bocrockett@edu.pe.ca)

Melanie Barlow  
Procurement Officer  
Department of Finance  
[mbarlow@gov.pe.ca](mailto:mbarlow@gov.pe.ca)

Proponents and their representatives are not permitted to contact any employees, officers, agents, elected or appointed officials or other representatives of the Branch, other than the RFP Contacts or their designate, concerning this RFP. Failure to adhere to this rule may result in the disqualification of the proponent and the rejection of the proponent’s proposal.

### 1.3 Type of Contract for Deliverables

The selected proponent will be requested to enter into direct contract negotiations to finalize an agreement with the Branch for the provision of the Deliverables. The initial term of the agreement will be for a period of **three (3) years**. The Branch reserves the right to extend the agreement for **three (3)** extension(s) beyond the initial term, for an overall potential maximum of **six (6)** years in total. This extension option will be solely at the discretion of the Public Schools Branch and the proponent will be notified each year after the initial three (3) year term if an extension is to be exercised.

### 1.4 RFP Timetable

Issue Date of RFP	29 October 2019
Deadline for Questions	8 November 2019
Deadline for Issuing Addenda	12 November 2019
<b>Submission Deadline</b>	<b>15 November 2019 at 2 pm AST</b>

The RFP timetable is tentative only, and may be changed by the Branch at any time.

## **1.5 Submission of Proposals**

### **1.5.1 Proposals to be submitted at the Prescribed Location**

Proposals must be submitted at:

#### **PROCUREMENT SERVICES**

95 Rochford Street  
2<sup>nd</sup> Floor South, Shaw Building,  
Room 27, Charlottetown, PE, C1A 7N8

### **1.5.2 Proposals to be submitted on Time**

Proposals must be submitted at the location set out above on or before the Submission Deadline as indicated in section 1.4. The Proponent is solely responsible for the delivery of its proposal to the exact location (including floor, if applicable) indicated in this RFP on or before the Submission Deadline. The Branch does not accept any responsibility for proposals delivered to any other location by the Proponent or its delivery agents. Proposals submitted after the Submission Deadline will be rejected. The Branch's time clock will be deemed to be correct.

### **1.5.3 Proposals to be submitted in Prescribed Format**

In a sealed package, Proponents must submit their proposal in a sealed package, containing **five** hard copies of their proposal and one (1) electronic copy saved as a Portable Document Format (PDF) on a USB flash drive, unless otherwise indicated. The file name on the electronic copy should include an abbreviated form of the proponent's name and RFP#. If there is a conflict or inconsistency between the hard copy and the electronic copy of the proposal, the hard copy of the proposal shall prevail. In the interest of environmental sustainability, please refrain from using binders, binding, plastic covers, or similar fastening or presentation materials when submitting the proposal. Similarly, unless specifically requested in this solicitation document, proponents should not submit product catalogues, swatches, or other marketing materials with their bid. Sealed packages should be prominently marked with:

- the RFP title and number (see RFP cover)
- the full legal name and return address of the proponent

The Branch will not accept proposals submitted by facsimile transfer, email, or any other electronic means.

### **1.5.4 Amendment of Proposals Prior to Submission Deadline**

Proponents may amend their proposals prior to the Submission Deadline by submitting the amendment in a sealed package prominently marked with the RFP title and number and the full legal name and return address of the proponent to the location set out in section 1.5.1. Any amendment must clearly indicate which part of the proposal the amendment is intended to amend or replace. Any amendments received after the Submission Deadline will not be accepted. All amendments must be signed by the person who signed the original bid submission or by a person authorized to sign on his or her behalf.

### **1.5.5 Withdrawal of Proposals**

At any time throughout the RFP process until the execution of a written agreement for provision of the Deliverables, a proponent may withdraw a submitted proposal. To withdraw a proposal, a notice of withdrawal must be sent and must be signed by an authorized representative of the proponent. The Branch is under no obligation to return withdrawn proposals.

[End of Part 1]

## PART 2 – EVALUATION AND NEGOTIATION

### 2.1 Stages of Evaluation and Negotiation

The Branch will conduct the evaluation of proposals and negotiations in the following four stages:

Stage I: Mandatory Submission Requirements

Stage II: Evaluation

Stage III: Pricing

Stage IV: Ranking and Contract Negotiations

### 2.2 Stage I – Mandatory Submission Requirements

Stage I will consist of a review to determine which proposals comply with all of the mandatory submission requirements. If a proposal fails to satisfy all of the mandatory submission requirements, the Branch will issue the proponent a rectification notice identifying the deficiencies and providing the proponent an opportunity to rectify the deficiencies. If the proponent fails to satisfy the mandatory submission requirements within the Rectification Period, its proposal will be excluded from further consideration. The Rectification Period will begin to run from the date that the Branch issues a rectification notice to the proponent. The mandatory submission requirements are as follows:

#### 2.2.1 Submission Form (Appendix B)

Each proposal must include a completed Submission Form (Appendix B) signed by an authorized representative of the proponent.

#### 2.2.2 Submission Pricing Form (Appendix C)

Each proposal must include a Submission Pricing Form (Appendix C) completed according to the instructions contained in the form.

#### 2.2.3 Other Mandatory Submission Requirements

A written formal proposal outlining their services is also considered mandatory (format will be left at the discretion of the proponent).

Each proposal must include a completed copy of “Audit Firm Questionnaire” (Appendix E) which highlights specific areas of focus for the Public Schools Branch. The answers in the Questionnaire can be in short form only if they reference a specific section in the proponent’s written formal proposal.

### 2.3 Stage II – Evaluation

Stage II will consist of the following two sub-stages:

#### 2.3.1 Mandatory Technical Requirements

The Branch will review the proposals to determine whether the mandatory technical requirements as set out in the Audit Firm Questionnaire (Appendix E) have been met. Questions or queries on the part of the Branch as to whether a proposal has met the mandatory technical requirements will be subject to the verification and clarification process set out in Section 3.3.4. If the proponent fails to satisfy the mandatory technical requirements, its proposal will be excluded from further consideration.

### 2.3.2 Rated Criteria

The Branch will evaluate each compliant proposal on the basis of the rated criteria as set out RFP Particulars (Appendix D). The following is an overview of the categories and weighting for the rated criteria of the RFP. Proponents who do not meet a minimum threshold score for a category will not proceed to the next stage of the evaluation process.

<b>Rated Criteria Category</b>	<b>Weighting (Points)</b>	<b>Minimum Threshold</b>
Qualifications	<b>20 points</b>	<b>N/A</b>
Experience	<b>20 points</b>	<b>N/A</b>
Other	<b>20 points</b>	<b>N/A</b>
<b>Subtotal</b>	<b>60 points</b>	<b>48 points</b>
Pricing	<b>40 points</b>	<b>32 points</b>
<b>Total Points</b>	<b>100 points</b>	<b>80 points</b>

### 2.4 Stage III – Pricing

Stage III will consist of a scoring of the submitted pricing of compliant proposals in accordance with the price evaluation set out in the Submission Pricing Form (Appendix C). The evaluation of price will be undertaken after the evaluation of mandatory submission requirements, mandatory technical requirements, and rated criteria has been completed.

### 2.5 Stage IV – Ranking and Contract Negotiations

#### 2.5.1 Ranking of Proponents

After the completion of Stage III, all scores from Stage II and Stage III will be added together and each proponent will be ranked based on its total score. The top-ranked proponent will receive a written invitation to enter into direct contract negotiations to finalize an agreement with the Branch. Upon finalization of the Agreement with the Branch, the proponent shall thereafter be known as the successful proponent.

#### 2.5.2 Contract Negotiation Process

Any negotiations will be subject to the process rules contained in the terms and conditions of the RFP Process (Part 3) and will not constitute a legally binding offer to enter into a contract on the part of the Branch or the proponent and there will be no legally binding relationship created with any proponent prior to the execution of a written agreement. Negotiations may include requests by the Branch for supporting information from the proponent to verify or clarify the information provided in its proposal or to confirm the conclusions reached in the evaluation, and may include requests by the Branch for improved pricing or performance terms from the proponent.

#### 2.5.3 Time Period for Negotiations

The Branch intends to conclude negotiations and finalize an agreement with the top-ranked proponent during the Contract Negotiation Period, commencing from the date the Branch invites the top-ranked proponent to enter negotiations. A proponent invited to enter into direct contract negotiations should therefore be prepared to provide requested information in a timely fashion and to conduct its negotiations expeditiously.

**2.5.4 Failure to Enter into Agreement**

If the top-ranked proponent and the Branch cannot conclude negotiations and finalize the agreement for the Deliverables within the Contract Negotiation Period, the Branch may, upon notice, discontinue negotiations with the top-ranked proponent and may invite the second ranked proponent to enter into negotiations. This process shall continue until an agreement is finalized, until there are no more proponents remaining that are eligible for negotiations or until the Branch elects to cancel the RFP process.

**2.5.5 Notification to Other Proponents**

Once an agreement is finalized and executed by the Branch with a proponent, the other proponents will be notified in accordance with the Terms and Conditions of the RFP Process (Part 3).

[End of Part 2]

## PART 3 – TERMS AND CONDITIONS OF THE RFP PROCESS

### 3.1 General Information and Instructions

#### 3.1.1 Proponents not to change terminology

Changes to the terminology of this RFP are prohibited

#### 3.1.2 Proponents to Follow Instructions

Proponents should structure their proposals in accordance with the instructions in this RFP. Where information is requested in this RFP, any response made in a proposal should reference the applicable section numbers of this RFP.

#### 3.1.3 Language

All proposals are to be in English, or both English and French. If there is a conflict or inconsistency between the English version and the French version of the proposal, the English version of the proposal shall prevail.

#### 3.1.4 No Incorporation by Reference

The entire content of the proponent's proposal should be submitted in a fixed form, and the content of websites or other external documents referred to in the proponent's proposal but not attached will not be considered to form part of its proposal.

#### 3.1.5 References and Past Performance

In the evaluation process, the Branch may include information provided by the proponent's references and may also consider the proponent's past performance or conduct on previous contracts with the Branch.

#### 3.1.6 Information in RFP Only an Estimate

The Branch makes no representation, warranty or guarantee as to the accuracy of the information contained in this RFP, received from the RFP contact or issued by way of addenda. Any quantities shown or data, or opinion contained in this RFP or provided by way of addenda are estimates only and are for the sole purpose of indicating to proponents the general scale and scope of the Deliverables. It is the proponent's responsibility to obtain all the information necessary to prepare a proposal in response to this RFP.

#### 3.1.7 Proponents to Bear Their Own Costs

The proponent shall bear all costs associated with or incurred in the preparation and presentation of its proposal, including, if applicable, costs incurred for interviews, presentations or demonstrations.

#### 3.1.8 Proposal to be retained by the Branch

The Branch will not return the proposal or any accompanying documentation submitted by a proponent.

### 3.2 Business Registration

**3.2.1** Proponents may be required to be registered to carry on business in accordance with applicable laws. For information on the business registration requirements of the Consumer, Corporate and Financial Services, Department of Justice and Public Safety, please consult:

<https://www.princeedwardisland.ca/en/topic/business-name-registration>

The status of a Proponent's business registration does not preclude the submission of a proposal in response to this RFP. A proposal can be accepted for evaluation, regardless of (i) whether the company is registered, or (ii) whether its business registration is in good standing. However, if the Proponent is selected as the successful Proponent, that Proponent must bring itself into compliance prior to the execution of the Agreement.

### **3.3 Communication after Issuance of RFP**

#### **3.3.1 Proponents to Review RFP**

Proponents shall promptly examine all of the documents comprising this RFP, and

- a) report any errors, omissions, or ambiguities; and
- b) direct questions or seek additional information

in writing by email to the RFP Contact on or before the Deadline for Questions. No such communications are to be directed to anyone other than the RFP Contact. The Branch is under no obligation to provide additional information, and the Branch will not be responsible for any information provided by or obtained from any source other than the RFP Contact. It is the responsibility of the proponent to seek clarification from the RFP Contact on any matter it considers to be unclear. The Branch will not be responsible for any misunderstanding on the part of the proponent concerning this RFP or its process.

#### **3.3.2 All New Information to Proponents by Way of Addenda**

This RFP may be amended only by addendum in accordance with this section. If the Branch, for any reason, determines that it is necessary to provide additional information relating to this RFP, such information will be communicated by addendum. Each addendum forms an integral part of this RFP and may contain important information, including significant changes to this RFP. Proponents are responsible for obtaining all addenda issued by the Branch and will be deemed to have read all posted addenda.

#### **3.3.3 Post-Deadline Addenda and Extension of Submission Deadline**

If the Branch determines that it is necessary to issue an addendum after the Deadline for Issuing Addenda, the Branch may extend the Submission Deadline for a reasonable period of time.

#### **3.3.4 Verify and Clarify**

During the evaluation process, the Branch may request further information from the proponent or third parties in order to verify or clarify the information provided in the proponent's proposal, including but not limited to clarification with respect to whether a proposal meets the mandatory technical requirements set out in RFP Particulars (Appendix D) and Audit Firm Questionnaire (Appendix E). The Branch may revisit and re-evaluate the proponent's response or ranking on the basis of any such information.



### **3.4 Notification and Debriefing**

#### **3.4.1 Notification of Outcome of Procurement Process**

Once an agreement is executed by the Branch with a proponent, notification of the outcome of the procurement process will be posted on Prince Edward Island Tendering Site.

#### **3.4.2 Debriefing**

Proponents may request a debriefing after notification of the outcome of the procurement process. All requests must be in writing to the RFP Contact and must be made within sixty (60) days of notification of the outcome of the procurement process. The intent of the debriefing information session is to aid the proponent in presenting a better proposal in subsequent procurement opportunities. Any debriefing provided is not for the purpose of providing an opportunity to challenge the procurement process or its outcome.

### **3.5 Conflict of Interest and Prohibited Conduct**

#### **3.5.1 Conflict of Interest**

The Branch may disqualify a proponent for any conduct, situation or circumstance, determined by the Branch, in its sole and absolute discretion, to constitute a Conflict of Interest. For the purposes of this Section, "Conflict of Interest" has the meaning ascribed to it in the Submission Form (Appendix B).

#### **3.5.2 Disqualification for Prohibited Conduct**

The Branch may disqualify a proponent, rescind an invitation to negotiate or terminate an agreement entered into if the Branch, in its sole and absolute discretion, determines that the proponent has engaged in any conduct prohibited by this RFP.

#### **3.5.3 Prohibited Proponent Communications**

A proponent shall not engage in any communications that could constitute a Conflict of Interest and must take note of the Conflict of Interest declaration set out in the Submission Form (Appendix B).

#### **3.5.4 Proponent not to Communicate with Media**

A Proponent may not at any time directly, or indirectly, communicate with the media in relation to this RFP or any agreement entered into pursuant to this RFP without consent of the Branch, and then only in coordination with the Branch.

#### **3.5.5 No Lobbying**

A proponent shall not, in relation to this RFP or the evaluation and selection process, engage directly or indirectly in any form of political or other lobbying whatsoever to influence the selection of the successful proponent.

#### **3.5.6 Illegal or Unethical Conduct**

Proponents shall not engage in any illegal business practices, including activities such as bid-rigging, price-fixing, bribery, fraud, coercion or collusion. Proponents shall not engage in any unethical conduct, including lobbying, as described above, or other inappropriate communications; offering gifts to any employees, officers, agents, elected or appointed officials or other representatives of the Branch; submitting proposals containing misrepresentations or other misleading or inaccurate information; or

any other conduct that compromises or may be seen to compromise the competitive process provided for in this RFP.

### **3.5.7 Rejection of Bids**

The Branch may reject a bid based on past performance or based on inappropriate conduct, including but not limited to the following:

- (a) illegal or unethical conduct as described above;
- (b) the refusal of the Proponent to honour its submitted pricing or other commitments;
- (c) any conduct, situation or circumstance determined by the Branch, in its sole and absolute discretion, to have constituted an undisclosed Conflict of Interest; or
- (d) the Branch's past experience with the bidder within the last 18 months for similar or related services

### **3.6 Confidential Information**

#### **3.6.1 Confidential Information of the Branch**

All information provided by or obtained from the Branch in any form in connection with this RFP either before or after the issuance of this RFP

- a) is the sole property of the Branch and must be treated as confidential;
- b) is not to be used for any purpose other than replying to this RFP and the performance of the agreement for the Deliverables;
- c) must not be disclosed without prior written authorization from the Branch; and
- d) must be returned by the proponent to the Branch immediately upon request of the Branch

#### **3.6.2 Confidential Information of Proponent**

A proponent should identify any information in its proposal or any accompanying documentation supplied in confidence for which confidentiality is to be maintained by the Branch. The confidentiality of such information will be maintained by the Branch, except as otherwise required by law or by order of a court or tribunal. Proponents are advised that their proposals will, as necessary, be disclosed, on a confidential basis, to advisers retained by the Branch to advise or assist with the RFP process, including the evaluation of proposals.

#### **3.6.3 Personal Information**

The *Freedom of Information and Protection of Privacy Act* R.S.P.E.I. 1988, Cap. F-15.01 ("FOIPP") governs the collection, use and disclosure of personal information by the Branch and its service providers. The successful Proponent shall be required to comply with all requirements of FOIPP during the term of the Agreement.

A copy of FOIPP is available online at:

[https://www.princeedwardisland.ca/sites/default/files/legislation/f-15-01\\_0.pdf](https://www.princeedwardisland.ca/sites/default/files/legislation/f-15-01_0.pdf)

### **3.7 Procurement Process Non-binding**

#### **3.7.1 No Contract A and No Claims**

This procurement process is not intended to create or be deemed to create a formal, legally binding bidding process and shall instead be governed by the law applicable to direct commercial negotiations. For greater certainty and without limitation, this RFP shall not give rise to any Contract A-based tendering law duties or any other legal obligations arising out of any process contract or collateral contract.

#### **3.7.2 No Contract until Execution of Written Agreement**

This RFP process is intended to identify prospective suppliers for the purposes of negotiating a potential agreement for the Deliverables. No legal relationship or obligation regarding the procurement of any good or service shall be created between a proponent and the Branch by this RFP process until the successful negotiation and execution of a written agreement between a proponent and the Branch for the acquisition of such goods and/or services.

#### **3.7.3 Non-binding Price Estimates**

While the pricing information provided in proposals will be non-binding prior to the execution of a written agreement, such information will be assessed during the evaluation of the proposals and the ranking of the proponents. Any inaccurate, misleading or incomplete information, including withdrawn or altered pricing, could adversely impact any such evaluation or ranking or the decision of the Branch to enter into an agreement with a proponent for the Deliverables.

#### **3.7.4 Cancellation**

The Branch may cancel the RFP process without liability at any time prior to the execution of a written agreement between the Branch and a proponent.

### **3.8 Governing Law and Interpretation**

These terms and conditions of the RFP Process (Part 3):

- a) are intended to be interpreted broadly and independently (with no particular provision intended to limit the scope of any other provision);
- b) are non-exhaustive and shall not be construed as intending to limit the pre-existing rights of the parties to engage in pre-contractual discussions in accordance with the common law governing direct commercial negotiations; and
- c) are to be governed by and construed in accordance with the laws of the Prince Edward Island and the Federal laws of Canada applicable therein.

[End of Part 3]

## APPENDIX A – SAMPLE FORM OF AGREEMENT

### NAME OF AGREEMENT

**THIS AGREEMENT** made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**BETWEEN:**                    **Public Schools Branch**

**OF THE FIRST PART;**

**AND:**

\_\_\_\_\_ of \_\_\_\_\_  
in \_\_\_\_\_ County, Province of \_\_\_\_\_,

(hereinafter referred to as the "Contractor")

**OF THE SECOND PART.**

**WHEREAS** the Public Schools Branch wishes to engage the services of the Contractor to carry out the services described in Schedule "A" attached hereto;

**AND WHEREAS** the Contractor has agreed to provide the Public Schools Branch with these services on certain terms and conditions as more particularly set out in this Agreement.

**NOW THEREFORE** in consideration of the mutual promises contained in this Agreement, the Parties agree that the terms and conditions of their relationship are as follows:

#### Definitions

1. In this Agreement, the following definitions apply:

- a. "Fiscal Year" means ...
- b. "Schedule" means ...

#### Covenants of the Contractor and the Public Schools Branch

- 2. The Contractor shall perform the services, assume all those responsibilities and diligently execute all those duties described in the attached Schedule "A" (the "Work"), in a manner satisfactory to the Public Schools Branch.
- 3. (a) Subject to the termination clause contained in the Termination section of this Agreement, the term of this Agreement shall commence on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, and end on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

- (b) Subject to the termination clause contained in the Termination section of this Agreement, and notwithstanding the date of signing of this Agreement, it is acknowledged by both Parties that the Contractor commenced the performance of the Work on the \_\_\_\_ day of \_\_\_\_, 20\_\_. It is further agreed that the amount of \$\_\_\_\_ is the maximum amount to be paid for the Work and includes all amounts which may be owed for the Work done since the \_\_\_\_ day of \_\_\_\_, 20\_\_.

#### **Payments, Records and Accounts**

4. The Public Schools Branch shall make payments to the Contractor in the following manner:

- (a) Payment for the Work shall be at the rate of \$\_\_\_\_\_ per hour, excluding taxes, but in no case shall the total payment exceed \$\_\_\_\_\_;

OR

- (a) Payment for the Work shall be a fixed lump sum of \$\_\_\_\_\_, excluding taxes, payable in installments, *as follows: [i.e. List dates (milestones) when payments will be made including amount to be paid on each date]*

AND, IF APPLICABLE

- (b) The Public Schools Branch shall pay all expenses of the Contractor, excluding taxes, up to a maximum of \$\_\_\_\_\_, based on expenses actually incurred and verified by receipt.

- (c) The payments described herein shall be paid upon the basis of the submission by the \_\_\_\_ day of \_\_\_\_, 20\_\_ of a detailed statement together with all necessary receipts. Such statements shall be submitted to the Public Schools Branch and the Public Schools Branch shall pay the amount owing within \_\_\_\_ days of receipt.

- (d) All payments are subject to a hold back of an amount equal to \_\_% of the amount billed. The hold back shall be paid upon the submission and acceptance of the final report and completion of the Work.

OR

- (d) All payments are subject to a hold back of an amount equal to \_\_\_\_% of the amount billed. The hold back shall be paid upon the submission and acceptance of the final report and completion of the work.

- (e) The Contractor shall keep proper accounts and records of the cost to the Contractor of the Work and of all expenditures or commitments made by the Contractor under this Agreement including the related invoices, receipts and vouchers. Such accounts, invoices, receipts and vouchers shall, at all times, be open to audit, copying, extracting information and inspection by the authorized representatives of the Public Schools Branch. The Contractor shall provide all facilities for the audits, inspections, copying and extractions and shall provide the Public Schools Branch and its authorized representatives with all information that is requested from the accounts, records, invoices, receipts and vouchers.

- (f) Subject to statutory limitations, the Contractor shall not, without the written consent of the Public Schools Branch, dispose of the accounts, records, invoices, receipts and

vouchers related to this Agreement, but shall preserve and keep the same available for audit, copying, extracting information and inspections at any time.

### **Conditions of Agreement**

5. (a) The Parties agree that the Contractor shall act as an independent contractor and that it is entitled to no other benefits or payments whatsoever than those specified in the Payments, Records and Accounts section of this Agreement.
- (b) The Parties agree that entry into this Agreement will not result in the appointment or employment of the Contractor, or any officer, clerk, employee or agent of the Contractor, as an officer, clerk, employee or agent of the Public Schools Branch, nor shall the *Civil Service Act* R.S.P.E.I. 1988, Cap. C-8 apply.
6. (a) The Contractor agrees to accept sole responsibility to submit any applications, reports, payments or contributions for sales taxes, income tax, Canada Pension Plan, Employment Insurance, Workers' Compensation assessments, goods and services tax, harmonized sales tax, or any other similar matter which the Contractor may be required by law to make in connection with the Work.
- (b) The Contractor agrees to accept sole responsibility to comply with all federal, provincial and municipal legislation which may have application to the Work and agrees to comply with all provincial and federal legislation affecting conditions of work and wage rates including the *Employment Standards Act* R.S.P.E.I. 1988, Cap. E-6.2, the *Workers Compensation Act* R.S.P.E.I. 1988, Cap. W-7.1, or any other laws that impose obligations in the nature of employers' obligations. The Contractor agrees to follow the Public Service Commission Human Resource Policies 9.05 Violence in the Workplace Policy; 9.08 Drug, Alcohol, and Medication Policy; and 11.01 Policy for the Prevention and Resolution of Harassment in the Workplace while working on Government sites, in Government vehicles or alongside Government staff.  
[https://psc.gpei.ca/sites/psc.gpei.ca/files/HRPolicy/HRManual\\_9.05.pdf](https://psc.gpei.ca/sites/psc.gpei.ca/files/HRPolicy/HRManual_9.05.pdf)  
<https://psc.gpei.ca/sites/psc.gpei.ca/files/9.08%20AlcoholDrugandMedicationPolicy.pdf>  
[https://psc.gpei.ca/files/PDF%20Files/hrp-manual/hrppm\\_11.01.pdf](https://psc.gpei.ca/files/PDF%20Files/hrp-manual/hrppm_11.01.pdf)
- (c) The Contractor, before undertaking any Work shall provide to the Public Schools Branch either a certificate of good standing by the Workers Compensation Board or written confirmation from the Workers Compensation Board that such certificate is not required.
- (d) The Contractor agrees to accept the full cost of doing those things required under this paragraph, and will not charge or seek reimbursement from the Public Schools Branch in any way, such costs having been taken into consideration and included in the rates of payment stipulated in Payments, Records and Accounts section of this Agreement.
7. Any payment under this Agreement is subject to a provincial appropriation for the payment being approved by the Legislative Assembly of Prince Edward Island for the Public Schools Branch fiscal year in which the payment is to be made.

## **Reports**

8. (a) The Contractor shall make interim reports as the Public Schools Branch may direct.
- (b) The Contractor shall prepare and submit a draft final report for review and approval of the Public Schools Branch not later than the \_\_\_\_ day of \_\_\_\_ 20\_\_. The Public Schools Branch shall either signify its approval or note the deficiencies in writing to the Contractor within \_\_\_\_ days of its submission. The final report shall be submitted to the Public Schools Branch not later than the \_\_\_\_ day of \_\_\_\_, 20\_\_ unless the Parties agree otherwise in writing.

## **Administration**

9. Subject to any specified time schedule or location where the Work is to be performed as may be set forth in Schedule "A" attached hereto, the Work is to be performed in the offices of the Public Schools Branch and the Contractor shall follow the same time schedule as applicable to employees of the Public Schools Branch.
10. The Public Schools Branch shall provide such support, direction, decisions and information to the Contractor as it deems necessary or appropriate under this Agreement and may appoint a person to administer this Agreement and communicate with the Contractor.

## **Termination**

11. Notwithstanding other provisions of this Agreement, the Public Schools Branch may terminate this Agreement in its entirety, or any part thereof, at any time by a notice in writing, signed by or on behalf of the Public Schools Branch and delivered to the Contractor by hand delivery, mailed to the Contractor's last known place of business, facsimile transmission, or electronic communication.

This Agreement shall be determined to have ended upon the date of delivery, sending by electronic communications or mailing of such notice in which event the Contractor shall have no further claim against the Public Schools Branch, except that the Contractor will be paid pursuant to and in accordance with the provisions of the Payments, Records and Accounts section of this Agreement for the Work performed up to the date of termination by written notice. Such payment shall include all firm commitments made by the Contractor prior to the receipt of the notice and for which the Contractor is liable for payment, less any sums paid by the Public Schools Branch to the Contractor on account.

12. Notice in this Agreement is deemed to have been effected on the day of delivery in person, facsimile, electronic communication, or upon mailing of the notice.

## **Confidentiality and Copyright**

13. Any and all information, knowledge or data made available to the Contractor as a result of this Agreement shall be treated as confidential information. The Contractor shall not directly or indirectly disclose or use the information, knowledge or data for purposes unrelated to the

Agreement at any time without first obtaining the written consent of the Public Schools Branch, unless the information, knowledge or data is generally available to the public.

14. (a) The Parties agree that all lists, reports, information, statistics, compilations, analyses, and other data generated or collected in any way as a result of this Agreement are the exclusive property of the Public Schools Branch and shall not be distributed, released, transmitted or used in any way, via any media, outside the purposes of this Agreement, by the Contractor, its employees, agents, servants or others for whom the Contractor is responsible, without the written consent of the Public Schools Branch.
- (b) The Parties agree that the Public Schools Branch owns the copyright on all aspects of the Work, including all manner of data as set out in sub-paragraph (a) and including all software developed as a result of the Work whether in the form of raw data, analyses, database entries or software or hardware code of any kind or in any form whatsoever, including but not limited to object code and source code and any necessary information with respect to the use of such code such as encryption keys, compiler information and version number.
- (c) The Contractor relinquishes all rights to the Work created pursuant to this Agreement, including all rights, and moral rights otherwise accruing to the Contractor pursuant to the *Copyright Act*, R.S.C. 1985, c. C-42.

#### **Conflict of Interest**

15. The Contractor warrants that as at the date of this Agreement, no conflict of interest, or any circumstance that might interfere with independent and objective exercise of judgment, exists or is likely to arise in relation to execution of this Agreement or its subject matter. The Contractor shall immediately notify the Public Schools Branch, in writing, if any such actual or potential conflict of interest should arise at any time during the Term. In the event the Public Schools Branch discovers or is notified by the Contractor of an actual or potential conflict of interest, the Public Schools Branch, in its sole discretion, may either:
  - (a) Allow the Contractor to resolve the actual or potential conflict to the satisfaction of the Public Schools Branch; or
  - (b) Terminate the Agreement in accordance with the Termination section of this agreement.

#### **Freedom of Information and Protection of Privacy Act**

16. The Contractor acknowledges that this Agreement, and information provided in respect of this Agreement, may be subject to release under the *Freedom of Information and Protection of Privacy Act* R.S.P.E.I. 1988, Cap. F-15.01. The Contractor may be consulted prior to release of any information.
17. The Contractor acknowledges and agrees that, in the event the Work involves the collection or use of personal information, it is subject to the *Freedom of Information and Protection of Privacy*



Act, and that personal information may not be released to any third party or unauthorized individual.

### **Indemnification and Insurance**

18. The Contractor shall indemnify and hold harmless the Public Schools Branch, its agents, representatives and employees from and against all claims, demands, losses, costs, damages, actions, suits or proceedings of every nature and kind whatsoever arising out of or resulting from the performance of the Work (herein called the "Claim"), provided that any such Claim is caused in whole or in part by any act, error or omission, including, but not limited to, those of negligence, of the Contractor or anyone directly or indirectly employed by the Contractor or anyone for whom the Contractor may be liable.
19. The Contractor shall, without limiting its obligations or liabilities under this Agreement and at its own expense, provide and maintain, the following insurance with insurers and in forms and amounts acceptable to the Public Schools Branch:
- (a) Commercial General Liability insurance in an amount not less than \$ \_\_\_\_\_ (minimum Two Million (\$2,000,000.00 CAD) Dollars) inclusive per occurrence against bodily injury and property damages. The Public Schools Branch is to be added as an additional insured under this policy. Such insurance shall include, but not be limited to:
    - Products and Completed Operations Liability;
    - Owner's and Contractor's Protective Liability;
    - Blanket Written Contractual Liability;
    - Personal Injury Liability;
    - Non-Owned Automobile Liability;
    - Cross Liability;
    - Employees as additional Insured;
    - Broad Form Property Damage;
    - If applicable, Tenant's Legal Liability in an amount adequate to cover a loss to premises of Government occupied by the Contractor.
  - (b) Automobile Liability insurance on all vehicles owned, operated or licensed in the name of the Contractor in an amount not less than \$ \_\_\_\_\_ (minimum One Million (\$1,000,000.00 CAD) Dollars).
  - (c) Professional Liability insurance in an amount not less than Two Million (\$2,000,000.00 CAD) Dollars on a claims made basis, subject to an annual aggregate limit of Two Million (\$2,000,000.00 CAD) Dollars insuring the Contractor's liability resulting from errors and omissions in the performance of professional services under this Agreement. Such insurance shall continue for a term of six (6) years following completion of the Work.
  - (d) The policy or policies required by this Agreement shall be in a form and with insurers satisfactory to the Public Schools Branch. All required insurance shall be endorsed to provide the Public Schools Branch with 30 days advance written notice of cancellation or material change. The foregoing insurance shall be primary and not require the sharing of any loss by any insurer of the Public Schools Branch nor by any other form of recovery available such as the Provincial Self Insurance and Risk Management Fund. A certified

copy of the policy, or policies, shall be delivered to the Public Schools Branch prior to execution of this Agreement. Default of delivery to the Public Schools Branch or receipt of the certified copy of the policy, or policies, by the Public Schools Branch shall not be construed as acknowledgment or concurrence that there has been compliance with the terms of this Agreement.

**General**

- 20. This Agreement shall not be assigned or subcontracted in whole or in part by the Contractor without the prior written consent of the Public Schools Branch.
- 21. This Agreement shall ensure to the benefit of and be binding upon the Parties hereto and, subject to the above assignment and subcontracting clause, their executors, administrators, successors and assigns.
- 22. This Agreement shall be interpreted and applied in accordance with the laws and in the Courts of the province of Prince Edward Island.
- 23. This Agreement, including Schedule "A", constitutes and expresses the entire agreement of the Parties hereto and any amendment or addition thereto shall be in writing and signed by the respective Parties.
- 24. The headings are inserted in this Agreement for reference only and shall not form part of the Agreement.
- 25. The provisions of this Agreement which, by their terms, are intended to survive or which must survive in order to give effect to continuing obligations of the Parties, shall survive the termination or expiry of this Agreement.
- 26. If any provision of this Agreement is, for any reason, invalid, that provision shall be considered separate and severable from this Agreement, and the other provisions of this Agreement shall remain in force and continue to be binding upon the Parties as though the invalid provision had never been included in this Agreement.

**IN WITNESS WHEREOF** the Parties thereto have executed this Agreement as of the date first above written.

**SIGNED, SEALED & DELIVERED** )  
in the presence of: )  
)  
)

\_\_\_\_\_

**Public Schools Branch,**  
as represented by:

\_\_\_\_\_

**SIGNED, SEALED & DELIVERED** )  
in the presence of: )  
)  
)

\_\_\_\_\_

**Contractor**

\_\_\_\_\_  
Authorized Signing Officer

**SCHEDULE "A"**

**TO AGREEMENT  
BETWEEN  
THE PUBLIC SCHOOLS BRANCH  
AND  
THE CONTRACTOR**

**DATED THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_**

**STATEMENT OF WORK**

## APPENDIX B – SUBMISSION FORM

### B.1 Proponent Information

Please fill out the following form, naming one person to be the proponent's contact for the RFP process and for any clarifications or communication that might be necessary.	
Full Legal Name of Proponent:	
Any Other Relevant Name under which Proponent Carries on Business:	
Street Address:	
City, Branch/State:	
Postal Code:	
Phone Number:	
Fax Number (if any):	
Company Website (if any):	
Proponent Contact Name and Title:	
Proponent Contact Phone:	
Proponent Contact Fax (if any):	
Proponent Contact Email:	

### B.2 Acknowledgment of Non-binding Procurement Process

The proponent acknowledges that the RFP process will be governed by the terms and conditions of the RFP, and that, among other things, such terms and conditions confirm that this procurement process does not constitute a formal legally binding bidding process (and for greater certainty, does not give rise to a Contract A bidding process contract), and that no legal relationship or obligation regarding the procurement of any good or service shall be created between the Branch and the proponent unless and until the Branch and the proponent execute a written agreement

### B.3 Ability to Provide Deliverables

The proponent has carefully examined the RFP documents and has a clear and comprehensive knowledge of the Deliverables. The proponent represents and warrants its ability to provide the Deliverables in accordance with the requirements of the RFP for the rates set out in the completed Pricing Form (Appendix C).

**B.4 Mandatory Forms**

The proponent encloses as part of the proposal the mandatory forms set out below:

<b>FORM</b>	<b>INITIAL TO ACKNOWLEDGE</b>
Submission Form (Appendix B)	
Pricing Form (Appendix C)	
Audit Firm Questionnaire (Appendix E)	
Formal Written Proposal	

**B.5 Non-binding Pricing**

The proponent has submitted its pricing in accordance with the instructions in the RFP and in the Pricing Form (Appendix C). The proponent confirms that the pricing information provided is accurate. The proponent acknowledges that any inaccurate, misleading or incomplete information, including withdrawn or altered pricing, could adversely impact the acceptance of its proposal or its eligibility for future work with the Branch.

**B.6 Addenda**

The proponent is deemed to have read and taken into account all addenda issued by the Branch.

**B.7 No Prohibited Conduct**

The proponent declares that it has not engaged in any conduct prohibited by this RFP.

**B.8 Conflict of Interest**

For the purposes of this RFP, the term “Conflict of Interest” includes, but is not limited to, any situation or circumstance where:

- (a) in relation to the RFP process, the proponent has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including but not limited to (i) having, or having access to, confidential information of the Branch in the preparation of its proposal that is not available to other proponents, (ii) communicating with any person with a view to influencing preferred treatment in the RFP process (including but not limited to the lobbying of decision makers involved in the RFP process), or (iii) engaging in conduct that compromises, or could be seen to compromise, the integrity of the open and competitive RFP process or render that process non-competitive or unfair; or
- (b) in relation to the performance of its contractual obligations under an agreement for the Deliverables, the proponent’s other commitments, relationships or financial interests (i) could, or could be seen to, exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgement, or (ii) could, or could be seen to, compromise, impair or be incompatible with the effective performance of its contractual obligations.

Proponents should disclose the names and all pertinent details of all individuals (employees, advisers, or individuals acting in any other capacity) who participated in the preparation of the proposal; **AND** were employees of the Branch within twelve (12) months prior to the Submission Deadline.

If the box below is left blank, the proponent will be deemed to declare that (a) there was no Conflict of Interest in preparing its proposal; and (b) there is no foreseeable Conflict of Interest in performing the contractual obligations contemplated in the RFP.

Otherwise, if the statement below applies, check the box.

- The proponent declares that there is an actual or potential Conflict of Interest relating to the preparation of its proposal, and/or the proponent foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the RFP.

If the proponent declares an actual or potential Conflict of Interest by marking the box above, the proponent must set out below details of the actual or potential Conflict of Interest:


**B.9 Disclosure of Information**

The proponent hereby agrees that any information provided in this proposal, even if it is identified as being supplied in confidence, may be disclosed where required by law or by order of a court or tribunal. The proponent hereby consents to the disclosure, on a confidential basis, of this proposal by the Branch to the advisers retained by the Branch to advise or assist with the RFP process, including with respect to the evaluation of this proposal.

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of Proponent Representative

\_\_\_\_\_  
Name of Witness

\_\_\_\_\_  
Name of Proponent Representative

\_\_\_\_\_  
Title of Proponent Representative

\_\_\_\_\_  
Date

I have the authority to bind the proponent.

## APPENDIX C – SUBMISSION PRICING FORM

### 1. Instructions on How to Complete Submission Pricing Form

- a) Rates shall be provided in Canadian funds, inclusive of all applicable duties and taxes except for HST, which must be itemized separately.
- b) Rates quoted by the proponent for yearly audit service and financial statement preparation fees shall be all-inclusive and shall include all labour and material costs, all travel and carriage costs, all insurance costs, and all other overhead, including any applicable fees or other charges.

### 2. Evaluation of Pricing

Pricing is worth 40 points of the total score.

Pricing will be scored based on a relative pricing formula using the rates set out in the Pricing Form. Each proponent will receive a percentage of the total possible points allocated to price for the particular category it has bid on, which will be calculated by dividing that proponent’s price for that category into the lowest bid price in that category. For example, if a proponent bids \$120.00 for a particular category and that is the lowest bid price in that category, that proponent receives 100% of the possible points for that category (120/120 = 100%). A proponent who bids \$150.00 receives 80% of the possible points for that category (120/150 = 80%), and a proponent who bids \$240.00 receives 50% of the possible points for that category (120/240 = 50%).

Lowest rate  
 ----- x Total available points = Score for second-lowest rate  
 Second-lowest rate

Lowest rate  
 ----- x Total available points = Score for third-lowest rate  
 Third-lowest rate

And so on, for each proposal.

### 3. Pricing Form

Prepare a fixed price for your proposed services. Provide appropriate details to support these figures, including estimates of the work effort and a breakout of expected expenses.

#### C.1 Fixed Cost – Time and Materials for Initial Contract Period

Prepare the following table for inclusion in your proposal:

Cost Element	Cost (CDN)
PSAS Audit & Financial Statement Preparation (includes all planning, travel, fieldwork, board presentation etc.)	\$
<b>Total</b>	<b>\$</b>

## APPENDIX D – RFP PARTICULARS

### A. The Deliverables

The Branch is seeking a Public Accounting Firm to provide audit services and financial statement preparation, in accordance with Canadian Public Sector Accounting/Assurance Standards (PSAS).

### B. Public Schools Branch Background Information

#### Mandate and Organizational Structure

The Public Schools Branch (PSB) encompasses all fifty six (56) English public schools across Prince Edward Island and serves approximately nineteen thousand (19,000) students from kindergarten to grade 12. The PSB is governed by an appointed Board of Directors whose mandate is to:

- provide strategic direction;
- set policy;
- approve the PSB's budget; and
- be accountable to students, parents, the community and the Minister of Education for the performance of the PSB.

The Director is the chief operating officer of the Public Schools Branch and is accountable to the Board of Directors. The role of the Director is to:

- oversee the operations and management of the school system in the areas of finance, transportation, property services, human resources, student support services, and policy;
- provide advice to and collaborate with the Department of Education on common initiatives and goals; and
- engage with the education community.

The Director and the administrative branch-based staff, with primary offices in Stratford and Summerside, work closely with school administrators, teachers, school staff, parents and students to ensure school learning environments:

- support the unique needs, strengths, interests, and learning styles of our students;
- foster personal development, respect, and social responsibility; and
- inspire a passion for life-long learning that prepares students for the opportunities and challenges ahead.

#### Specific Items to Note

The Public Schools Branch receives its operational and salary grant funding from the Department of Education and Lifelong Learning. The Public Schools Branch is considered a Government Business Enterprise (GBE) for reporting and is subject to financial statement consolidation with the Province of Prince Edward Island. As such, in order to meet our board and government obligations, draft audited financial statements will be required by June 1<sup>st</sup> and final audited financial statements prepared and



presented by June 15<sup>th</sup>. Also, please note, field work cannot commence until on or after the third week of May (after Victoria Day weekend).

The Public Schools Branch realizes particular Corporate Services staff groups will be integral to the audit process and as such highlights the following specific staffing in its organization:

- 1 x Director of Corporate Services
- 1 x Coordinator of Financial Services (Accounting and Payroll)
- 1 x Supervisor of Accounting Services
- 5 x Accounting Services Support Staff
- 1 x Supervisor of Payroll Services
- 7 x Payroll Services Support Staff

Additional information on Public Schools Branch departments and staffing structure can be viewed on its website:

<https://edu.princeedwardisland.ca/psb/school-board-office/>

The Public Schools Branch uses Oracle Accounting Software and Peoplesoft Payroll Software (as a related and supported related entity of the Province of Prince Edward Island).

The Public Schools Branch's Accounting Services department processes expenses in excess of twenty million dollars (\$20,000,000) in a fiscal year. They also process revenue (almost entirely in the form of approved government operational and salary grants) in excess of two hundred and twenty million dollars (\$220,000,000).

The Public Schools Branch's Payroll Services department processes payroll for all Public Schools Branch staff of approximately three thousand employees (3,000). These employees:

- Span various departments, excluded, civil service and union groups,
- Are made up of permanent, temporary, casual and substitute appointments,
- Fall under several different, specific and large collective agreements,
- Operate with different time of work terms (hours per day, months per year, etc.) depending on what group they fall under.
- Constitute in excess of two hundred million dollars (\$200,000,000) in expense.

All of these factors together, create a very complex and detailed payroll system that constitutes the majority (approx. 91%) of our expenses. As such, attention and consideration should be given to this area when firm's detail their approach to this engagement.

Prior year financial statements and other specific relevant information for the Public Schools Branch is available in the annual reports for viewing on its website:

<https://edu.princeedwardisland.ca/psb/publications-references/>

## Appendix E – Audit Firm Questionnaire

<b>QUALIFICATIONS OF FIRM</b>	
Are you or your firm licensed auditors in the Province of Prince Edward Island?	
The PSB will require its accounting firm to carry "single occurrence liability insurance" to the value of \$5,000,000. Does your firm currently have such coverage?	
What changeover of audit staff can be expected over the next three years?	
What is the size of the assurance staff, taxation specialists, management consulting staff and support staff of your local office?	
We require that the annual audit be completed with draft statements by June 1st and completed statements presented to our Board of Directors by June 15th. Also, fieldwork cannot begin until after Victoria Day (May) weekend. Given this tight turn around, how will you ensure that audit deadlines are met?	
<b>EXTENT OF SCHOOL AUTHORITY EXPERIENCE</b>	
What is the extent of your firm and staff's school authority auditing experience?	

<p>What is your familiarity and experience in relation to PSAS (Public Sector Accounting Standards) Financial Reporting and Assurance Standards?</p>	
<p>How will you ensure that all new staff are familiar with the Branch's operations?</p>	
<p>Are major audit decisions the responsibility of your local office or do you have a regional or national office which participates actively in decision making?</p>	
<p>How does the size/scope/complexity of this engagement compare with other clients/engagements within your firm?</p>	
<p>What other resources does your firm have to draw upon?</p>	
<p><b>COST OF SERVICES</b></p>	
<p>What would your fee be for the preparation of the PSB's financial statements (as a portion of your total annual billing)?</p>	
<p>What would your fee be for the audit engagement (as a portion of your total annual billing)?</p>	

<p>What is the hourly charge-out rate for each of the employees to be assigned to the PSB audit? Also please indicate the structure of the team that will be assigned.</p>	
<p>How will the above rates be adjusted in each of the next three years of the audit relationship?</p>	
<p>What is your firm's policy and rates for billing extra and special work outside the audit and financial statement preparation services?</p>	
<p>How many hours do you anticipate your firm would assign to the PSB's audit?</p>	
<b>OTHER CONSIDERATIONS</b>	
<p>Describe your firm's approach to planning each year for a recurring audit engagement and what would be required of the PSB.</p>	
<p>Explain how you would be using PSB staff, if at all, to assist during the audit.</p>	
<p>Detail what your transition plan would be if your firm was the successful proponent.</p>	

Please provide any other brief comments that you wish the Public Schools Branch to consider in considering your audit firm.	
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Proponent Audit Firm

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Proponent Representative