

## ADDENDUM 1

**Request for Proposal:** RFP # 2022-11-21  
**EXTERNAL FINANCIAL AUDITOR**

**Addendum Issue Date:** November 21, 2022

**RFP Closing Date & Time:** December 23, 2022 (5:00 pm EST)

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### To All Potential Bidders:

Addendum 1 is issued to modify the previously issued RFP document and/or given for informational purposes and is hereby an official document of the RFP. Please attach this addendum to the documents in your possession. Per the RFP, the bidder shall acknowledge receipt of any and all addenda, if any, by listing the Addenda by number(s) and date(s) in their proposal.

**1. What accounting system/software is used by the organization?**

**Answer:** ACCES uses Dynamics NAV.

**2. Approximately how many employees are there? Hourly and salary?**

**Answer:** ACCES has approximately 220 employees; all are salary based.

**3. How many people are on the Finance team of ACCES Employment?**

**Answer:** ACCESS' Finance team is composed of 5 staff members.

**4. How many employees/contractors are on staff at ACCES Employment?**

**Answer:** ACCES doesn't have any contracted employees.

**5. Is there an external payroll service provider used (such as ADP or Ceridian)? If yes, which one?**

**Answer:** Yes, ADP provides the payroll service.

**6. What is the estimated total revenue for fiscal 2024?**

**Answer:** *The estimated total revenue for the 2024 fiscal year is \$30M (Canadian Dollars).*

**7. Are there any substantial changes in revenue (sources or amounts) expected in fiscal 2023 and 2024 (or subsequently) from what was received in fiscal 2022?**

**Answer:** *No, there are no expected substantial changes in revenue in the next fiscal years.*

**8. Are there any substantial changes in expenses expected in fiscal 2023 and 2024 (or subsequently) from those incurred in fiscal 2022?**

**Answer:** *No, there are no expected substantial changes in expenses in the next fiscal years.*

**9. What type of costs are typically in prepaid expenses at year-end?**

**Answer:** *The costs that are typically in prepaid expenses are mostly rent expenses.*

**10. Does ACCES Employment have any significant planned projects or changes in structure, operations, personnel, etc., expected in fiscal 2023 and beyond?**

**Answer:** *No, ACCES does not have any significant planned projects or changes expected in fiscal 2023 and beyond.*

**11. Does ACCES Employment have any unresolved issues/challenges with CRA with respect to GST/HST, or any other matter?**

**Answer:** *No, ACCES does not have any unresolved issues or challenges with CRA.*

**12. Is ACCES Employment currently facing any legal claims against it?**

**Answer:** *No, ACCES is not facing any legal claims.*

**13. Please confirm the accounting system used by ACCES, as well as any service organizations (ie. payroll provider as example) used. Please also advise if there**

are any planned changes in either system in the next 1-5 years which should be factored into our audit proposal.

***Answer:*** Dynamics NAV is the accounting system used by ACCES, and we use ADP for payroll processing. No expected change in service providers. The ERP system will be upgraded to Dynamics 365 cloud version in January 2023.

14. Please confirm the exact number of special program audits and reviews required. Please also confirm whether this pricing should be included as part of the proposal submission.

***Answer:*** There are about 20 different project audits needed, however since most projects are covered by a larger agreement, on average only 5 different audit reports are needed. Please submit the estimated charges for each special audit report.

15. Please confirm whether management will be preparing the draft financial statements, including notes, for the purpose of our audit, or whether we are expected to assist with financial statements preparation as well?

***Answer:*** Draft audited financial statements should be prepared by the auditor with notes and schedules. However, we already have our accounting policies, and we will provide the schedules, and we expect the auditor to adopt the existing accounting policies unless any changes are needed.

16. In the last three years' audits, were there any audit adjustments? If so, can you please share these or their nature?

***Answer:*** Audit adjustments were not needed in the last three year's audits.

17. In the last three years' audits, were there any control deficiencies or management letter of recommendations identified? If so, can you please share there or their nature?

***Answer:*** The only recommendation received was related to cyber security, such as mandatory password protection for sensitive documents.

18. Typically, how many year-end adjusting entries are prepared/proposed by the auditor? How many journal entries were proposed by the auditors for the 2022 audit?

**Answer:** Generally, less than 2, mainly about presentation and they were not material. Last year, year 2022, we did not receive any adjusting entries.

19. Is there any reporting to funders that requires an audit? If so, how many, can you describe and is it expected to be pretty consistent from year to year?

**Answer:** Ministry of Labour, Immigration Training and Skilled Development (MLITSD) requires the program audit. There are about 20 different programs covered by 5 major funding agreements.

20. Are there any other standalone reports that the funders (Ministry of Labour, United Way, City of Toronto) require? We have seen separate mini-statements or reports requested from some government entities before.

**Answer:** Ministry of Labour, Immigration Training and Skilled Development (MLITSD) requires the program audit. There are about 20 different programs covered by 5 major funding agreements.

21. How many special audit/review or reconciliation reports to funders are required per year?

**Answer:** Ministry of Labour, Immigration Training and Skilled Development (MLITSD) requires the program audit. There are about 20 different programs covered by 5 major funding agreements.

22. Can you provide the reason for seeking a change in auditors?

**Answer:** According to our financial and administration policies, we must conduct an RFP for external audit services every 5 years.

23. Were there any deficiencies noted in the 2022 audit?

**Answer:** No, there were no deficiencies noted in the 2022 audit.

24. How many days / hours does the audit “fieldwork” typically take?

**Answer:** Typically, it takes 12 Days of field work + 3 days to review.

**25. Is interim work usually conducted? If yes, is it desired going forward?**

**Answer:** Interim work is not usually conducted.

**26. How many people are on the audit team, besides the audit partner?**

**Answer:** The current auditing firm provides a team of 4 auditors, besides the audit partner.

**27. What management letter issues were raised in the past?**

**Answer:** No management letter issues were raised in the past, only a suggestion for enhancing the cyber security of the organization.

**28. Will the ACCES Employment team be preparing the T3010, or would you like the auditor to prepare it?**

**Answer:** We would like the auditor to prepare the T3010. However, we will provide the necessary documentation and schedules.

**29. What would you change about your audit experience going forward?**

**Answer:** We expect experienced staff to conduct the audit, provide the reports on time and have excellent communication/presentation skills.

**30. What did you like about your past audit experiences?**

**Answer:** We liked that the communication between the audit partner and ACCES was good.

**31. What value are you looking for from your auditing firm beyond the audit and tax services?**

**Answer:** We expect the firm to provide guidance on emerging issues in the NFP (not-for-profit) sector.

**32. Would it be possible to receive the appendix documents that are required to be incorporated in the proposal in Word format? (To save us from reproducing them)**

***Answer:*** *To request a Word version of the Appendices below, please email [procurement@acesemployment.ca](mailto:procurement@acesemployment.ca):*

- *APPENDIX A - Request for Proposals (RFP) Cover Page*
- *APPENDIX B - Request for Proposals (RFP) Checklist*
- *APPENDIX C - Conflict of Interest Statement*
- *APPENDIX D - References*
- *APPENDIX E - GST/HST Registration - Confirmation of Exemption*
- *APPENDIX F – Bid Form*

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