



Request for Proposal Audit Services

Closing Date and Time: Proposals
must be received by 12:00 noon Thursday,
December 12, 2013

And shall be addressed to:

Lynn Kendall, B. Comm., MBA, CGA
Director of Finance and Administration
3 Church Street
Corner Brook, NL
A2H 2Z4

Inquiries:

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Director of Finance and Administration
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Purpose

Qalipu Mi'kmaq First Nation Band (QMFNB) is seeking proposals from interested and qualified accounting firms for the provision of external audit services of the band's annual financial statements in accordance with generally accepted auditing standards for the fiscal years 2014-2019 inclusive. Subject to satisfactory performance of the external audit services by the successful firm, the term may be extended, if mutually agreeable to both parties.

Background

QMFNB was officially created September 22, 2011 through an agreement between the Government of Canada and the Federation of Newfoundland Indians. This agreement officially recognizes QMFNB as a band under the Indian Act. Currently, QMFNB has in excess of 23,000 members, representing the largest band in Atlantic Canada.

Accounting Structure

As a First Nation band, QMFNB is required to prepare its financial statements in compliance with the Public Sector Accounting Board standards. Additionally, QMFNB is subject to further reporting requirements, as outlined in Aboriginal Affairs and Northern Development Canada's (AANDC) Year End Reporting Handbook.

QMFNB receives funding for programs, services and band support from various funding agencies including AANDC, Service Canada and the Government of Newfoundland and Labrador. Accounting for each program activity is maintained separately using Sage 300 ERP.

Services Required

The responsibility of the external auditors is to examine the financial statements prepared by QMFNB staff and to express an audit opinion thereon. The financial statements will include the operations of all programs within the band reporting entity, as well as additional reporting requirements outlined in the Year End Reporting Handbook. The audit report will be addressed to Members of Council of the Qalipu Mi'kmaq First Nation Band; it must disclose the scope of the examination and state that the audit was performed in accordance with generally accepted auditing standards. The report will also include an opinion as to whether the financial statements conform to Canadian Public Sector Accounting Standards. QMFNB's financial statements for the year ending March 31, 2013 can be found on the band's website (www.qalipu.ca).

The selected audit firm must be knowledgeable of Canadian Public Sector Accounting Board standards and advise the QMFNB on amendments to the Standards. The firm will also be

required to attend Council and committee meetings, upon request, to make presentations and discuss the audit and related financial issues.

Audit Timetable

Event	Timetable
Pre-audit meeting/Detailed audit plan and schedule	Mid-April
Audit field work	Last two weeks of April
Draft financial statements	First week of May
Audited financial statements to Band Council/Finance Committee	Mid-May
Final Audit Report and Management Letter	Mid-May

Additional Services

Ancillary studies, audits or examinations of other accounts, records and transactions may be required from time to time. Contractual agreements for such other examinations will be negotiated separately at the time of the request. Proponents are encouraged to include information relevant to the scope of engagements that their firm can provide.

Client Assistance Provided to Auditor

QMFNB staff will be available to assist the auditors by providing information, working papers, schedules, and funding agreements. QMFNB staff is responsible for the year-end close and will prepare the financial statements. Supporting documents will be provided to the auditors on a timely basis.

The preparation of all confirmations will be the responsibility of the audit firm.

QMFNB's solicitors will provide representation letters regarding the status of suits, threatened litigation and other contingent liabilities.

Proposal Response Format

- I. State the location and overall size of the firm performing the service. Describe the range of activities performed by the firm such as auditing, tax service, and accounting or management services. Identify the accounting firm's experience with Public Sector Accounting Board standards or First Nation engagements.

- II. State the proposed audit team's qualifications and experience with Public Sector Accounting Board standards or First Nation engagements. Detail skills or experience which are directly relevant to the capacity of the team who would be assigned to conduct the audit of QMFNB.
- III. Outline the firm's fee structure for the delivery of audit services. Rates must be provided in Canadian funds and exclusive of HST (as a First Nation Band, QMFNB does not pay HST on services for band management).

Proposal Evaluation and Selection Process

- i. Proposals received by closing time will be screened for compliance with the requirements stated in this Request for Proposal. QMFNB reserves the right to (at its sole discretion) determine whether or not any proposal is compliant.
- ii. After a proposal response has been determined to have met the requirements, all proposals will be evaluated to determine the best value to QMFNB.
- iii. All proponents will be contacted to notify them of the status of the proposal within a reasonable period of time after award.
- iv. In accordance with QMFNB policy, an award will be made to the successful Proponent only upon formal approval by Band Council.
- v. QMFNB does not bind itself to the lowest or any bidder.

Addendum to Request for Proposal for Audit Services

The agreement for audit services between Qalipu Mi'kmaq First Nation Band (QMFNB) and the selected accounting firm will also include an agreement for the audit of the following related entities.

- **The Federation of Newfoundland Indians (FNI)** – a non-share capital corporation. FNI is a non-profit corporation that formerly represented nine local Indian Band Councils in Western and Central Newfoundland and Labrador. The mandate of the organization is to enhance the social, cultural, political, education and economic growth of its members, and to gain recognition by the Government of Canada. When the QMFNB was formed, FNI transferred its assets to the Band. QMFNB then assumed most of the operations of FNI.

- **MAMKA** - QMFNB and the Miawpukek First Nation (MFN) have come together under the protocols of the Aboriginal Aquatic Resource & Oceans Management (AAROM) program to form the Mi'kmaq Alsumk Mowimsikik Koqoey Association (MAMKA). The MAMKA is a non-share, non-profit corporation. The mandate of the Association is to provide advice, coordination and information management assistance to the partners for the purpose of building capacity in the area of aquatic management.
- **Qalipu Development Corporation** - an arms-length corporation tasked with identifying and creating new business ventures while managing existing for-profit, band owned enterprises. Currently, QDC manages two commercial properties and oversees the operations of Mi'kmaq Commercial Fisheries.
- **Mi'kmaq Commercial Fisheries (MCF)** consists of one major commercial fishing enterprise which harvests both crab and shrimp. MCF also leases out several smaller, inshore licenses in the Bay of Islands area.

Bids must include costs for the audit of these financial statements. Financial statements for each of these entities are available by contacting:

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