

APPENDIX “A”



London
C A N A D A

The Corporation of The City of London

Request for Proposal 16-36

Internal Audit Services

Proposal submissions must be received by Purchasing & Supply in a sealed envelope or package clearly marked with the Name and Address of the Proponent, Title of File and File Number. Completed proposal submissions can be hand delivered (In Person or by Courier) to Purchasing & Supply, 267 Dundas Street, 4th Floor, London, Ontario N6A 1H2. Proponents are solely responsible for ensuring proposal submissions are received by Purchasing & Supply prior to the Closing Date and Time. Hours of Service: Monday to Friday, 8:30 am to 4:30 pm. **Failure to Submit the Proposal Submission as Requested Will Result in the Proposal Submission Being Rejected.**

Request for Proposal documents are available for download from Biddingo.com or pick-up at the City of London's Purchasing & Supply office. Only proposal submissions received from Proponents who have obtained the documents directly from Biddingo.com or the City of London's Purchasing & Supply office will be considered for this Request for Proposal. **Proponents who have not obtained their Request for Proposal documents through either of these two acceptable methods shall have their proposal submission Rejected.**

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The Corporation of the City of London

Purchasing and Supply
P.O. Box 5035
London, Ontario N6A 4L9
[City of London](http://www.cityoflondon.ca)

Proposal Checklist

1. Have you complied with the “Submission Instructions”, Section 6.0? _____
2. Have you complied with the “Submission Requirements”, Section 10.0? _____
3. Have you acknowledged the number of addenda issued in the appropriate space provided in Section 12.8 of the Form of Proposal? _____
Failure to acknowledge receipt of all addenda on the Form of Proposal will result in your proposal submission being rejected.
4. Have you purchased the bid documents at the City of London’s Purchasing and Supply Office (hard copy) or from Biddingo.com (electronic copy)? _____
5. Form of Proposal – Original Signature in Ink, Section 12.0? _____
Failure to do so shall result in the proposal submission being rejected.
6. Have you included the USB flash drive? _____

Document Fees (Non Refundable)

Original Hard Copy – Cost is \$55.00 – Cheque made payable to the “City Treasurer”.

1. Upon request, the City will mail out a hard copy of the original document, including drawings (if applicable).
2. Notify Proponent who was awarded the contract.

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PROPOSERS PLEASE READ GENERAL CONDITIONS, INSTRUCTIONS & INFORMATION FOR PROPOSERS

1. **Definitions Pertaining to the Conditions, Instructions & Information Listed Below**

Request for bids: is used in place of request for tender, quote, proposal, and information in the appropriate context; Proponent: a person, corporation or other entity that responds, or intends to respond to a request for bids; Successful Proponent: a person, corporation or other entity that is awarded the contract or purchase order resulting from a request for bids.

2. **Warranties for Usage**

Whenever requests for bids are issued, seeking a source of supply for materials or services, the quantities or usage shown are estimated ONLY unless otherwise stated. No guarantee or warranty is given or implied by the City as to the total amount that may or may not be purchased from any resulting contracts. These quantities are for Proponent's information ONLY and will be used for tabulation and presentation of bid prices and the City reserves the right to increase or decrease quantities as required.

3. **Brand Names**

If and wherever in the specification a brand name, make, name of any manufacturer, trade name or vendor catalogue number is mentioned, it is for the purpose of establishing a grade or quality of material only, unless specified otherwise. Since the City does not wish to rule out other competition and equal brands or makes, the phrase "OR APPROVED EQUAL" may be added. However, if a product other than the specified is bid, it is the Proponent's responsibility to name such product within the submitted document and to prove to the City that said product is equal to the specifications and to submit brochures, samples and/or specifications in detail on item(s) bid. The City shall be the judge concerning the merits of bids submitted.

4. **Samples and Demonstrations**

Evidence in the form of samples may be requested. Such samples are to be furnished after the date of request for bids opening, only upon request of the City, unless otherwise stated in the document. If samples are requested, samples must be received by the City no later than seven (7) days after formal request is made. When required, the City may request full demonstrations of any unit/s bid prior to the award of any contract. Samples, when requested, must be furnished free of expense to the City and, if not used in testing, or destroyed, will, upon request within thirty (30) days of award, be returned at the Proponent's expense. Samples are to be provided as noted with the bid submission, addressed to Purchasing & Supply, 267 Dundas Street, 4th floor, London, Ontario N6A 1H2.

5. **Quality**

All materials used for the manufacture or construction of any supplies, materials or equipment covered by this RFP shall be new, the latest model, of the best quality and highest grade and workmanship.

6. **Acceptance of Material**

The material delivered under this request for bids shall remain the property of the seller until a physical inspection and actual usage of this material and/or service is made and thereafter accepted to the satisfaction of the City and must comply with the terms herein and be fully in accord with the specifications and of the highest quality. In the event the material and/or service supplied to the City is found to be defective or does not conform to specifications, the City reserves the right to cancel the order upon written notice to the seller and return the product to the seller at the seller's expense.

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PROPONENTS PLEASE READ GENERAL CONDITIONS, INSTRUCTIONS & INFORMATION FOR PROPONETS

7. Variations to Specifications

For purposes of evaluation, Proponents MUST indicate any variances from our specifications, terms and/or conditions, no matter how slight. If variations are not stated or referenced in the space provided on the Form of Proposal, it will be assumed the product or service fully complies with the City's specifications, terms and conditions.

8. Delivery

Time will be of the essence for any orders placed as a result of this requests for bids. The City reserves the right to cancel such orders, or any part thereof, without obligations if delivery is not made at the time(s) specified.

9. Default Provision

In cases of default by the Successful Proponent, the City may take such action as it deems appropriate, including the procurement of the articles or services from other sources and holding the Successful Proponent responsible for any excess costs occasioned or incurred thereby.

10. Copyrights or Patent Rights

The Proponent warrants that there has been no violation of copyrights or patent rights in manufacturing, producing or selling the goods shipped or ordered as a result of this bid and seller agrees to hold the purchaser harmless from any and all liability, loss or expense occasioned by any such violation.

11. Safety Standards

The Proponent warrants that the product supplied to the City conforms in all respects to the standards set forth by Federal and Provincial agencies and failure to comply with this condition will be considered a breach of contract.

12. Manufacturer's Certification

The City reserves the right to request from the Proponent separate manufacturer's certification of all statements made in the bid document.

13. Signed Bid to be Considered an Offer

The submission of an originally signed bid document to the City shall be deemed to constitute an "Offer" which may be accepted, at the option of the City by:

- a) Written acknowledgement of acceptance; and **OR** b) The issuance of a "purchase order".

And upon such acceptance the terms, conditions and specifications herein set forth shall be confirmed and binding upon the City and the Proponent. Upon acceptance of the bid, both parties hereto agree to do everything necessary to ensure that the terms of this agreement take effect.

The failure of either party at any time to require performance by the other party of any provision hereof shall in no way affect his right thereafter to enforce such provision or to seek damages for the breach thereof. It is agreed between the parties that neither party shall be held responsible for damages caused by delay or failure to perform his undertakings hereunder when such delay or failure is due to fires, strikes, floods, Acts of God or the Queen's enemies, lawful acts of public authorities or delays or defaults caused by common carriers, which cannot reasonably be foreseen or provided against.

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PROPONENTS PLEASE READ GENERAL CONDITIONS, INSTRUCTIONS & INFORMATION FOR PROPONETS

14. Oral Instructions or Suggestions

The City will assume no responsibility for oral instruction or suggestions. All official correspondence in regard to the specifications should be directed to and will be issued by the Manager of Purchasing & Supply.

15. Discrepancies and Omissions

Should the Proponent find discrepancies in, or omissions from the specifications, or should he be in doubt as to their meaning, he shall notify the Manager - Purchasing & Supply who may, if necessary, issue Addenda through Biddingo.com.

16. Specifications

No Successful Proponent is relieved from supplying all components necessary to render the material(s) and/or service(s) fit for the use specified in the governing documents merely because detailed specifications on the various components are not set out in the documents.

17. Reservations for Rejection and Award

The City reserves the right to accept or reject any or all bids or parts of bids, to waive irregularities and technicalities and to request rebids on the required material(s). It further reserves the right to award the contract on split-order basis, lump sum or individual item basis or such combination as shall best serve the interests of the City in the opinion of the Manager - Purchasing & Supply and the applicable Department, unless otherwise stated. The City also reserves the right to waive minor variations to specifications (interpretation of minor variances will be made by the applicable Department personnel).

18. Bid Attachments

A response to a request for bids which has attached a condition of sale or any other attachment which alters the specifications, conditions or terms, or makes it subordinate, may be cause for rejection.

19. Additional General Conditions

Instructions to Proponents and Information for Proponents dealing with the specific requirements of this request for bids are included in the attached request for bid documents.

20. Successors and Assigns

The contract shall apply to and be binding on the parties hereto and their successors, administrators, executors and assigns and each of them.

21. Sub-Contracts

The Successful Proponent shall not, without the written consent of the City, make any assignment or sub-contract for the provision of any goods or services hereby bid on.

22. Warranty

In supplement of, and not by way of substitution for the terms and conditions or any warranty stipulated or implied by law and notwithstanding prior acceptance by the City, the Successful Proponent will at any time within three (3) months of delivery thereof, and at their expense replace any goods which are or become defective as a result of faulty or inefficient manufacture, materials or workmanship.

23. Laws

It is agreed that the goods and services supplied shall comply with all Federal laws and other Province of Ontario laws applying thereto.

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Internal Audit Services**

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The Corporation of the City of London

Purchasing and Supply
P.O. Box 5035
London, Ontario N6A 4L9
[City of London](#)

Request for Proposal 16-36 Internal Audit Services

June 3, 2016

1.0 Definitions

For a list of definitions please see section 3.0 of the Procurement of Goods and Service Policy per the following link: [Procurement of Goods and Services Policy](#).

2.0 Purpose

The Corporation of the City of London (hereinafter referred to as the City) is seeking Request for Proposals (hereinafter referred to as the RFP) from qualified, experienced firms to provide Internal Audit Services to the City. The scope of the work for the internal audit provider shall extend to all aspects of the operations of the City, and by request, to the Boards, Commissions or other entities that are accountable to City Council and/or are controlled by the City. The duties may also include the performance of such other assignments as the Audit Committee may from time to time authorize.

3.0 Background

London, a City with a population of 381,310 (2015) is characterized by a diversified economic base - industrial, commercial and institutional. This has fostered an ideal climate for business investment and steady growth. The City provides the benefits of a large city with the convenience, responsiveness, economics and manageability of a smaller urban centre.

London has a fifteen member City Council which includes the Mayor and fourteen Councillors as the legislative and decision-making body of the Corporation.

London is a single-tier municipality. The City, including its Boards and Commissions, provides the following types of services: fire, police, transit, courts administration and prosecutions, public works including roads, water and sewer, hydro, garbage and recycling services, public health services, a home for the aged, social services, social housing, parks and recreation services, libraries, museums, planning and development, a convention centre and a public market.

The City has 10 Service Areas: City Manager's Office, City Solicitor's Office, Environmental and Engineering Services, Parks and Recreation, Housing, Social Services and Dearness Home, Finance and Corporate Services, Development and Compliance Services, Neighbourhood, Children and Fire Services, Human Resources and Corporate Services, and Planning. In addition, the related agencies, boards, commissions and corporations are listed below:

- Argyle Business Improvement Area Board of Management
- Covent Garden Market Corporation
- Eldon House Corporation
- Housing Development Corporation, London
- London Convention Centre Corporation

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- **3.0 Background...cont’d**

- London Downtown Business Association
- London Hydro Inc.
- London & Middlesex Housing Corporation
- London Police Services Board (consolidated in City records)
- London Public Library Board
- London Transit Commission
- Middlesex-London Health Unit (Joint local board)
- Museum London
- Old East Village Business Improvement Area
- Public Utility Commission of the City of London
- Elgin Area Water Primary Water Supply System (Joint local board)
- Lake Huron Primary Water Supply System (Joint local board)

The Consolidated Financial Statements combine the financial results of the City’s departments with the financial results of the boards, commissions and government business enterprises that the City effectively controls. In 2014, the operation of these services totalled approximately \$994 million and the City’s capital infrastructure resulted in tangible capital asset acquisitions of \$199 million. Additional Financial material can be found at the following links:

[2014 Consolidated Financial Report](#)
[2016-2019 Multi-Year Budget](#)
[2014 Financial Information Return \(FIR\) - London](#)

Each year Moody’s Investors Service reviews the credit worthiness of the City and then assigns the City a credit rating for the year. Moody’s is provided access to numerous documents, including the above noted documents as part of their review. Moody’s Investors Service is a leading provider of credit ratings, research, and risk analysis. The firm’s ratings and analysis track debt covering more than 115 countries, 10,000 corporate issuers, 22,000 public finance issuers, and 82,000 structured finance obligations. For 2014, the City received the highest possible rating, Aaa, for the 38th consecutive year.

The City uses the JD Edwards ERP system for all of its major corporate financial systems. The City is currently using the JD Edwards EnterpriseOne version 9.0.2. The suite of systems includes human resources, payroll, general ledger, budget, accounts payable, fixed assets, fleet and facility management, purchasing and inventory. There are also other significant systems: CLASS (POS system used for Clerks, Parking, Parks and Recreation), Vailtech for property taxes, Amanda for building permits, Goldcare for Dearness Home for the Aged, SAMS for Social Services and ICON for Courts Administration of Provincial Offences.

The majority of systems are administered using a consistent process in our IT department, however, there are a few systems such as Kronos time recording in Payroll that are administered departmentally.

The underlying database management systems are either based on Oracle or Microsoft SQL Server. The City’s operating systems are Microsoft based. There are seventy (70) different locations, one data centre, with both voice and data, the City has its own fibre network and also contracts out some managed network services for WAN.

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3.0 Background...cont'd

There has been an internal audit function in place at the City of London since 1983. As part of the City efforts to promote greater independence, openness, transparency and accountability of the audit function; Council authorized the outsourcing of internal audit services on April 19, 2010.

3.1 Role and Objectives of Internal Audit

Internal audit should support Council and Administration in achieving their goals, strategic objectives and legislated responsibilities. Internal audit is responsible for assisting the council in holding itself and its administrators accountable for the quality of stewardship over public funds and for achievement of value for money in municipal operations.

The audits must be in compliance with generally accepted auditing standards as promulgated by the Canadian Institute of Chartered Accountants, and the International Professional Practices Framework set forth by the Institute of Internal Auditors. Some of these objectives/standards are:

- To assist the City to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.
- To review: the reliability and integrity of information, compliance with policies and regulations and contracts, the safeguarding of assets, the economical and efficient use of resources, and established operational goals and objectives.

The internal audit provider shall report functionally to the Audit Committee and will liaise for administrative purpose through the City Manager or his delegate. Internal audit shall have unrestricted access to the Audit Committee and may meet with the Chair of the Committee to discuss issues pertaining to the Corporation. Management is ultimately responsible for the establishment and maintenance of systems and processes for internal controls.

Internal audit must, at all times, promote and ensure the independence and objectivity of internal audits, broad audit coverage and the implementation of audit recommendations.

Proponents should also note that the City does not have staffing or other resources dedicated to internal audit. However, it is expected that the provider of internal audit services will work with the City Manager or his delegate in conducting the work.

3.2 Audit Committee

The Audit Committee is a committee of City Council. It is composed of four (4) members of the Municipal Council and one citizen appointee (with a professional accounting designation). Recommendations for appointment to the Audit Committee are made by the Strategic Priorities and Policy Committee, or the Striking Committee, as the case may be, and appointments are made by City Council. The Committee meets at least four (4) times annually and at such other times as shall be required and determined by the Chair. It reports directly to the Municipal Council.

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3.0 Background...cont'd

3.2 Audit Committee...cont'd

The responsibilities of the Committee include overseeing all audit matters, including evaluation of internal services to ensure effective, independent, yet complementary audit services are received, to annually review and approve the internal audit work plan including providing input for the risk-based audit plan, to receive audit reports from internal audit including interim and annual summary reports of findings; and to engage in confidential discussions between the internal audit provider and the Audit Committee as required.

3.3 External Audit Services

- a) Currently, the City is also seeking proposals from firms to perform the required External Audit Services for the next five (5) years. Firms will have an opportunity to bid on the RFP issued for providing the External Audit Services, which will be issued with similar timelines; however no firm will be allowed to provide both services.
- b) It is expected that the firm providing external audit services and the firm providing internal audit services will co-ordinate their efforts to maximize the audit coverage provided to the City.

4.0 RFP Schedule

The following is a tentative schedule to assist interested Proponents with the anticipated schedule (dates and times) of significant events associated with this RFP process, in general. The City reserves the right to alter the schedule at its sole discretion.

Event	Date
Questions/inquiries deadline;	Wednesday, July 20, 2016 @ 2:00 pm;
RFP closing date;	Thursday, July 28, 2016 @ 2:00 pm;
Review & evaluation of RFP submissions;	Weeks of August 1 thru September 9, 2016;
Interviews & presentations (if required);	Week of September 19, 2016;
Award of successful Proponent; and	Tuesday, October 11, 2016; and
Commencement of Services.	January 1, 2017.

5.0 Information for Proponents

- a) A Proponent who has already submitted a proposal submission may submit a further proposal submission at any time up to the official closing time. The last proposal submission received shall supersede and invalidate all proposal submissions previously submitted by that Proponent as it applies to this RFP.
- b) A Proponent may withdraw a proposal submission at any time up to the official closing time by letter bearing a signature and/or seal as in the original proposal submission. Withdrawal requests received after the RFP closing time will not be permitted.

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5.0 Information for Proponents...cont'd

- c) In the event that only one (1) proposal submission is received at time of closing, the Manager of Purchasing and Supply or designate will either open the proposal submission or delay opening of the RFP for consultation with the respective Managing Director/ City Manager as to whether to open or reject the proposal submission. A rejected proposal submission will be returned unopened to the Proponent. A decision to reissue will be made respectively by the Manager of Purchasing and Supply and the respective Managing Director/ City Manager.
- d) Proponents are to refer to the Terms and Conditions, Instructions and Information for Proponents. Your proposal submission and any resultant purchase will be based on these conditions unless otherwise agreed to in writing. In the event of any conflict between the Terms and Conditions, Instructions and Information to Proponents of this proposal, the terms and conditions of this RFP shall prevail.
- e) The City reserves the right to accept or reject any and all proposal submissions. The City further reserves the right to award the contract on a split-order basis, lump-sum or individual-item basis, or such combination as shall best serve the interests of the City in the opinion of the Manager of Purchasing and Supply and the applicable Managing Director/ City Manager, unless otherwise stated.
- f) The acceptance and award of the proposal submission and execution of an agreement, contract or purchase order is subject to approval by City Council.
- g) All prices must be stated in Canadian funds. Prices must also be inclusive of customs, duty and freight.
- h) If the amount proposed for a unit price item does not agree with the extension of the estimated quantity and the proposed unit price, or if the extension has not been made, the unit price shall govern and the total price shall be corrected accordingly. If both the unit price and the total price are left blank, then both shall be considered as zero. If the unit price is left blank but a total price is shown for the item, the unit price shall be established by dividing the total price by the estimated quantity. If the total price is left blank for a lump sum item, it shall be considered as zero. If the proposal contains an error in addition and/or subtraction and/ or transcription in the approved proposal documentation format requested (i.e. not the additional supporting documentation supplied), the error shall be corrected and the corrected total contract price shall govern. Proposal submissions containing prices which appear to be so unbalanced as to likely affect the interests of the City adversely may be rejected.
- i) By submitting a proposal submission, the Proponent acknowledges and accepts all terms and conditions in the RFP document and all policies and procedures in the Procurement of Goods and Services Policy located on the City of London Purchasing and Supply Chain Website. [Procurement of Goods and Services Policy](#)

6.0 Submission Instructions

6.1 Closing Date and Time

Proponents are required to submit in a sealed envelope clearly identified as RFP16-36 Internal Audit Services, one (1) signed original and seven (7) hard copies of their RFP submission. In addition proponents must submit one (1) electronic copy of their RFP submission on a USB flash drive, in the sealed envelope. Please note that the USB flash drive will be non-refundable and will become property to the City of London.

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6.0 Submission Instructions...cont'd

6.1 Closing Date and Time...cont'd

Completed proposal submissions can be delivered (in person or by courier) to Purchasing & Supply, 267 Dundas Street, 4th Floor, London, Ontario N6A 1H2 and must be received before **2:00 pm, local time, Thursday July 28, 2016. Failure to submit the Form of Proposal (page 27) will result in your proposal submission being rejected.**

Proponents are solely responsible for ensuring their proposal submissions are received by Purchasing & Supply prior to the closing date and time. Hours of Service: Monday to Friday, 8:30 am to 4:30 pm.

6.2 Late Submissions

Proposals submissions received by Purchasing & Supply later than the specified closing time will be returned, unopened, to the Proponent.

6.3 Period of Acceptance

The proposal submission is to remain firm for acceptance for a period of one hundred, twenty days (120) days from the date of closing.

6.4 Questions/Inquiries

- a) Inquiries regarding this RFP are to be directed to City of London, Purchasing and Supply, Chris Ginty, CPPB, Procurement Officer, by facsimile at (519) 661-5030 or e-mail [Purchasing](#). Inquiries must not be directed to other City employees or Elected Officials. Directing inquiries to other than Purchasing and Supply may result in your proposal submission being rejected.
- b) All clarification requests are to be sent in writing to the individual mentioned above. No clarification requests will be accepted by telephone. Responses to clarification requests will be provided to all Proponents in writing in the form of an Addendum which will only be posted on [Biddingo.com](#).
- c) The City assumes no responsibility for any verbal (spoken) information from any City staff or from any Consultant firms retained by the City, or from any other person or persons who may have an interest in this RFP. Amendments or changes to this RFP prior to the closing date and time stated herein will only be in the form of written addenda and said addenda will be issued by the Purchasing & Supply Team of the City of London. Any Addenda will be distributed through [Biddingo.com](#). It is the Proponent's sole responsibility to check this Web Site regularly to inform itself of any posted Addendum. The City makes no promise or guarantee that addenda will be delivered by any means to any Proponent. By submitting a proposal submission in response to this RFP, the Proponent acknowledges and agrees that addenda shall only be posted on Biddingo.com and it is the sole responsibility of the Proponent to check this Web Site for said addenda. Failure to acknowledge receipt of all addenda on the form of proposal will result in your proposal submission being rejected.

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6.0 Submission Instructions...cont'd

6.4 Questions/Inquiries...cont'd

- d) Each Proponent must review all RFP documents and promptly report and request clarification of any discrepancy, deficiency, ambiguity, error, inconsistency, or omission contained therein. Any such request must be submitted to the City in writing, **prior to Wednesday, July 20, 2016, @ 2:00 pm.**
- e) Where a request results in a change or a clarification to the RFP, the City will prepare and issue an Addendum to this RFP as stated in 6.4 c). **With the exception of an Addendum delaying the closing or cancelling of this RFP**, no Addendum will be issued within the forty-eight (48) hours prior to closing - not including Saturdays, Sundays and Statutory Holidays observed by the City of London for regular business hours. Proponents that have submitted proposal submissions prior to the date and time cut-off for Addenda issuance are solely responsible to monitor Biddingo.com for further Addendum and are therefore also solely responsible for submitting complete new proposal submissions acknowledging any said Addendum prior to the closing date and time of the RFP solicitation.

6.5 Rights Reserved by the City

- a) The highest scoring proposal submission will not necessarily be accepted. The City reserves the right to accept/reject any or all proposal submissions and/or reissue the RFP in its original or revised form.
- b) The City reserves the right to modify any and all requirements stated in the RFP at any time prior to the possible awarding of a contract.
- c) The City reserves the right to cancel this RFP at any time, without penalty or cost to the City. This RFP should not be considered a commitment by the City to enter into any contract.
- d) In the event of any disagreement between the City and the Proponent regarding the interpretation of the provisions of the RFP, the Manager of Purchasing and Supply or an individual acting in that capacity, shall make the final determination as to interpretation.

6.6 Access to Information

- a) The information submitted in response to this RFP will be treated in accordance with the relevant provisions of the Municipal Freedom of Information and Protection of Privacy Act and in accordance with Council Policy – The Procurement of Goods and Services Policy section 21.4.
- b) The Proponent does, by the submission of a proposal submission, accept that the information contained in it will be treated in accordance with the process set out in this section of the RFP.

6.7 Joint Submission

If a Proposal is a joint proposal submission of two (2) or more Proponent firms, a single proposal submission is to be coordinated and submitted by the lead firm with the required information. The lead firm shall act as the Proponent in all contractual obligations of any resulting award and agreement, or as determined by the City.

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6.0 Submission Instructions...cont'd

6.8 Nomination of Sub-Consultants

- a) Unless otherwise stipulated in this RFP or any Addendum thereto, the Proponent shall indicate the names and addresses of all nominated Sub-Consultants that it proposes to use in the provision of Services and/or work contemplated by this RFP.
- b) The City reserves the right to reject any Sub-Consultant so nominated, without penalty or liability to the City of any kind whatsoever.
- c) No change shall be made to the list of nominated Sub-Contractors and or Sub-Consultants after the Closing Time of the RFP, without the prior written approval of the City and only on such terms and conditions as the City in the exercise of an absolute discretion may require.

6.9 Multiple Proposals

Proponents may submit more than one (1) proposal submission. Should a Proponent submit more than one (1) proposal submission, each proposal submission shall be submitted as a separate envelope. Each proposal submission will be evaluated as a separate proposal submission. Each proposal submission must meet all of the mandatory requirements of this RFP.

6.10 Treatment of Information

- a) The information submitted in response to this RFP will be treated in accordance with the relevant provisions of the Municipal Freedom of Information and Protection of Privacy Act and in accordance with Section 8.11, "Confidentiality of Proprietary Information", of Council Policy 21 (1). The information collected will be used solely for the purposes stated in this request.
- b) The Respondent does, by the submission, accept that the information contained in it will be treated in accordance with the process set out in this section of the RFP.

7.0 Requirements at Time of Execution

Subject to an award of the contract, the successful Proponent is required to submit the following documentation in a form satisfactory to the City for execution within ten (10) working days after being notified to do so in writing:

1. Insurance Documents;
2. Clearance Certificate from the Workplace Safety and Insurance Board;
3. Workers Compensation Declaration, form WD-1;
4. Safety Policies and Procedures and Related Documentation;
5. Non-Disclosure Agreement; and
6. Agreement(s).

If the successful Proponent for any reason, defaults or fails in any matter or thing referred to under "Requirements at Time of Execution", the City reserves the right to accept any other proposal submission, advertise for new proposal submission or carry out the work in any way as the City may, at its sole discretion, deem best.

APPENDIX "A"

7.0 Requirements at Time of Execution...cont'd

7.1 Insurance

The successful Proponent shall at its own expense obtain and maintain until the termination of the contract, and provide the City with evidence of:

- a) Comprehensive general liability insurance on an occurrence basis for an amount not less than five million (\$5,000,000.00) dollars, shall continue for twelve (12) months following completion of work and shall include the City as an additional insured with respect to the successful Proponents operations, acts and omissions relating to its obligations under this Agreement, such policy to include non-owned automobile liability, personal injury, broad form property damage, contractual liability, owners' and contractors' protective, products and completed operations, contingent employers liability, cross liability and severability of interest clauses.
- b) Professional Liability Insurance covering the work and services described in this Agreement, such policy to provide coverage for an amount not less than two Million (\$2,000,000.00) dollars and shall continue for twelve (12) months following completion of work.
- c) The policies shown above will not be cancelled or permitted to lapse unless the insurer notifies the City in writing at least thirty (30) days prior to the effective date of cancellation or expiry. The City reserves the right to request such higher limits of insurance or other types of policies appropriate to the work as the City may reasonable require.
- d) The successful Proponent shall not commence work until satisfactory evidence of insurance has been filed with and approved by the Risk Management Division of the City. The successful Proponent shall further provide that evidence of the continuance of said insurance is filed at each policy renewal date of the duration of the contract.
- e) The successful Proponent shall indemnify and hold the City harmless from and against any liability, loss, claims, demands, costs and expenses, including reasonable legal fees occasioned wholly or in part by any acts or omissions either in negligence or nuisance whether willful or otherwise by the Proponent, its agents, officers, employees or other persons for whom the Proponent is legally responsible.
- f) The City reserves the right to request such higher limits of insurance or other types of insurance as it may reasonable require from time to time; failure to procure and maintain said insurance shall constitute a default under this agreement.

The Successful Proponent will be required to provide evidence of insurance at time of execution, these forms can be found at the following link: [Certificates](#)

7.2 Workplace Safety & Insurance Board

If the successful Proponent is a non-construction*, self-employed individual, partner or executive officer who does not pay WSIB premiums and is recognized by WSIB as an 'independent operator' a letter from WSIB acknowledging independent contractor status and confirming that WSIB coverage is not required must be provided to the City prior to commencement of work.

APPENDIX “A”

7.0 Requirements at Time of Execution...cont'd

7.2 Workplace Safety & Insurance Board...cont'd

*Construction refers to Class G – Construction of Schedule 1 (O. Reg. 175/98) and/or business activities included in Class G in the WSIB Employer Classification Manual. Review the revised regulation at the following link: [Class G – Construction of Schedule 1](#)

Review Class G services at the following link: [Class G Services](#)

7.3 Workers Compensation Declaration

The successful Proponent prior to receiving payment for substantial and total performance of the work shall submit a Declaration (form no. WD-1, per the following link) stating that he has paid all assessments or compensations payable and has otherwise complied with all the requirements of the Workplace Safety and Insurance Board, and that the successful Proponent has paid all taxes and/or penalties imposed on it by the Corporation Tax Act of the Province of Ontario: [Workers Compensation Declaration](#)

7.4 Safety Policies and Procedures and Related Documentation

The successful Proponent will adhere to the requirements of the Ontario Occupational Health and Safety Act (OHSA) and any applicable regulations, and the Tenderer's workers engaged in the work to be conducted have an awareness of the roles and responsibilities in the OHSA. The successful Proponent must also have an organization Health and Safety Policy, as per the OHSA.

7.5 Non-Disclosure Agreement

The successful Proponent shall complete and submit to the City a Non-Disclosure Agreement (NDA), Form no. 1033.

7.6 Agreement(s)

The final Agreement, if any, will be entered into by the City and the Successful Proponent on the terms and conditions acceptable to the City. While a Proponent may have included its standard form of agreement as part of its Proposal, such standard form will not be used as any template for purpose of negotiating and finalizing the Agreement, and the Agreement will be as negotiated between the Successful Proponent and the City with provisions as required by the City.

Proponents are advised that any Agreement negotiated pursuant to this RFP is subject to the appropriate approvals of the City. If such approvals are not obtained, the Agreement is void and of no force and effect, and the City will not have any obligation or liability whatsoever to any Proponent in conjunction with this RFP, or the negotiation of an Agreement.

In addition to all of City's other remedies, if the Preferred Proponent fails to execute the Agreement or satisfy any other applicable conditions within fifteen (15) business days of notice of selection, the City may, in its sole and absolute discretion and without incurring any liability, rescind the selection of that Proponent.

APPENDIX "A"

8.0 Terms and Conditions

8.1 Contract Period

- a) The term of the contract will be for a period of four (4) years plus the option to renew the contract for one (1) additional one (1) year term at the rates set out in the RFP. This is subject to if the City chooses at some time to operate this business differently including operating the business under the Auditor General model.
- b) The City will monitor the performance of the successful proponent during the contract period. The City at its absolute sole discretion reserves the right to cancel the contract due to poor performance without penalty.

8.2 Pricing

The City is seeking firm prices for the contract period.

8.3 Taxes

- a) Proponents shall provide their Harmonized Sales Tax (HST) registration number in their Form of Proposal. Note: If the Proponent is located outside of Canada and is not a HST Registrant, this may not apply.
- b) All prices should be exclusive of the applicable federal or provincial taxes or other similar taxes, each of which, if applicable, should be stated separately.

8.4 Non-resident Withholding Tax

Non-residents of Canada are subject to a withholding tax of 15% as per paragraph 153(1) (g) of the Canadian Income Tax Act and Section 105 (1) of the Income Tax Regulations. As required by law, the City will withhold 15% on all amounts payable to a non-resident vendor for services rendered in Canada. A Canada Revenue Agency approved waiver/reduction form must be submitted prior to payment processing in order to exempt/reduce the vendors required withholding tax amount. The withholding tax does not apply to GST or HST charged as well as any reimbursable costs (e.g. airfare, meals) provided they are itemized on the invoice. The City's withholding of tax under this section does not relieve the non-resident vendor of its obligation to withhold tax on payments to non-resident subcontractors nor does it necessarily relieve the vendor of its total Canadian tax liability. Vendors should apprise themselves of the non-resident withholding tax rules prior to bidding on City requirements. Further information can be found on the [Canada Revenue Agency](#) website.

8.5 Cancellation

- a) The City reserves the right, at its absolute sole discretion, to cancel this contract with thirty (30) days written notice, without cause and without penalty.
- b) The City reserves the right, at its absolute sole discretion, to cancel this contract with seven (7) days written notice, with cause and without penalty.

APPENDIX "A"

8.0 Terms and Conditions...cont'd

8.6 Personal Information

In accordance with the *Municipal Freedom of Information and Protection of Privacy Act*, the Service Provider, its directors, officers, employees, agents, volunteers and persons for whom it is at law responsible will hold confidential and will not disclose or release to any person at any time during or following the term of this Agreement, except where required by law, any information or document without obtaining the written consent of the individual/organization concerned prior to the release or disclosure of such information or document and shall comply with the requirements regarding Personal Information and Confidentiality.

8.7 Approved Forms – Collection of Personal Information

When collecting Personal Information under this Agreement, the successful Proponent or subcontractor shall use only the forms approved by the City for that purpose.

8.8 Records Retention

In the event that the successful Proponent ceases operation, it is agreed that the successful Proponent will not dispose of any records related to the successful Proponent under this agreement without the prior written consent of the City, but when requested by the City shall return the records to the City forthwith.

8.9 Declaration of Conflict of Interest

No elected official, appointed officer or employee of the City shall have any pecuniary or controlling interest, either direct or indirect, in any competitive bid or contract for the supply of goods or services to the City, unless such pecuniary interest is disclosed by the contractor, bidder, or person submitting a proposal, as the case may be, or unless such pecuniary interest would be exempt under the Municipal Conflict of Interest Act. Please disclose any potential conflicts as requested in section 12.5 of the Form of Proposal.

Failure to disclose any conflict of interest shall result in your proposal submission being rejected.

8.10 Code of Conduct

Please see the City of London's Code of Conduct listed on the City's Bid Documents (Tenders/Quotes/Proposals) webpage. [Code of Conduct](#)

8.11 Assignment

Following award of the contract, the successful Proponent shall not, without written consent of the Manager of Purchasing and Supply or designate make any assignment or any subcontract for the execution of any service or product hereby quoted on. The consent of the Manager of Purchasing and Supply or designate may be arbitrarily withheld.

APPENDIX "A"

8.0 Terms and Conditions...cont'd

8.12 Ownership of Materials, Reports, Designs, Specifications & Training Materials

Any work completed at the City's expense, on-site or remotely during the course of the project, including training materials, reports, designs, custom applications, specifications or otherwise shall become the exclusive property of the City.

8.13 Non-disclosure

Except as the City may otherwise consent in writing, the Proponent shall not use other than for the City and not directly or indirectly publish or otherwise disclose at any time (except as the proponent's duties for the City require) either during or subsequent to the Proponent's work, any of the City's appendices, attachments or other written material (whether or not conceived, originated, discovered, or developed in whole or in part by the Proponent).

8.14 Confidentiality

- a) Except as may be necessary in the performance of an order under this agreement, the Proponent shall not at any time or in any manner make or cause to be made any copies, pictures, duplicates, facsimiles or other reproduction or recordings of any type, or any abstracts or summaries of any reports, studies, memoranda, correspondence, manuals, records, plans or other written, printed or otherwise recorded material of the City, or which relate in any manner to the present or prospective business of the City. The Proponent shall have no interest in any of this material and agrees to surrender any of this material which may be in its possession to the City immediately upon the termination of this Agreement or at any time prior to the termination upon the request of the City.
- b) The Proponent shall not at any time (except under legal process) divulge any matters relating to the business of the City or any customers or agents of the City which may become known to it by reason of its services under an order, orders or otherwise and shall be true to the City in all dealings and transactions relating to the services contemplated by this agreement and any order. Furthermore, the Proponent shall not use at any time (whether during the continuance of this agreement or after its termination) for its own benefit or purposes or for the benefit or purposes of any other person, firm, corporation, association or other business entity, any trade secrets, business development programs, or plans belonging to or relating to the affairs of the City, including knowledge relating to customers, clients, or employees of the City.

8.15 Compliance with the Accessibility for Ontarians with Disabilities Act, 2005

The successful Proponent shall ensure that all its employees, agents, volunteers, or others for whom the successful Proponent is legally responsible receive training regarding the provision of the goods and services contemplated herein to persons with disabilities in accordance with Section 6 of Ontario Regulation 429/07 (the "Regulation") made under the Accessibility for Ontarians with Disabilities Act, 2005, as amended the "Act"). The successful Proponent shall ensure that such training includes, without limitation, a review of the purposes of the Act and the requirements of the Regulation, as well as instruction regarding all matters set out in Section 6 of the Regulation.

APPENDIX "A"

8.0 Terms and Conditions...cont'd

8.15 Compliance with the Accessibility for Ontarians with Disabilities Act, 2005

The successful Proponent shall submit to the City, as required from time to time, documentation describing its customer service training policies, practices and procedures, and a summary of its training program, together with a record of the dates on which training was provided and a list of the employees, agents volunteers or others who received such training. The City reserves the right to require the successful Proponent to amend its training policies to meet the requirements of the Act and the Regulation.

8.16 Changes in Law

The parties acknowledge that performance of the obligations required hereunder may be affected by changes in applicable laws of the Province of Ontario. In the event of a change in applicable legislation that results in a material impact on the performance of any act required by this Agreement, the Parties shall renegotiate the provisions of this Agreement to achieve mutually acceptable terms for the performance of acts required hereunder. If the Parties are unable to agree on the revised terms and conditions either Party may submit the dispute to arbitration in accordance with the provisions of the Arbitration Act S.O. 1991, C. 17.

8.17 Environmental Considerations

In order to contribute to waste reduction and to increase the development and awareness of environmentally sound purchasing, acquisitions of goods and services will ensure that, wherever possible, specifications are amended to provide for expanded use of durable products, reusable products and products (including those used in services) that contain the maximum level of post-consumer waste and/or recyclable content, without significantly affecting the intended use of the product or service. It is recognized that cost analysis is required in order to ensure that the products are made available at competitive prices.

8.18 Exclusion of Proponent in Litigation

- a) The City may, in its absolute discretion, reject a proposal submission submitted by a Proponent if the Proponent, or any officer or director of the Proponent is or has been engaged, either directly or indirectly through another corporation, in a legal action against the City, its elected or appointed officers and employees in relation to:
- i) Any other contract or services; or
 - ii) Any matter arising from the City's exercise of its powers, duties, or functions.
- b) In determining whether or not to reject a proposal submission under this clause, the City will consider whether the litigation is likely to affect the Proponent's ability to work with the City, its consultants and representatives, and whether the City's experience with the Proponent indicates that the City is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the Proponent.

APPENDIX "A"

8.0 Terms and Conditions...cont'd

8.19 Exclusion of Proponent Due To Poor Performance

- a) The Managing Director / City Manager shall document evidence and advise Purchasing and Supply in writing where the performance of a supplier has been unsatisfactory in terms of failure to meet contract specifications, terms and conditions or for Health and Safety violations.
- b) The City Treasurer may, in consultation with the City Solicitor, prohibit an unsatisfactory supplier from bidding on future contracts for a period of up to three (3) years.

8.20 Verification of Information

The City shall have the right to:

- a) Verify any Proponent statement or claim by whatever means City deems appropriate, including contacting persons in addition to those offered as references.
- b) Access the Proponent's premises where any part of the work is to be carried out to confirm Proposal information quality of processes and to obtain assurance of viability.
- c) The Proponent shall co-operate in the verification of information and is deemed to consent to City verifying such information.

8.21 Proponents' Expenses, Contractual or Financial Obligations

All costs and any liabilities incurred by a Proponent including (without limitation) those associated with the preparation of the Proponent's Proposal will be borne entirely by the Proponent.

The City does not assume any contractual or financial obligation by the issuance of this RFP, by receiving, accepting, or evaluating Proposals, or by the determination of a Successful Proponent.

8.22 Debriefing

Not later than thirty (30) days following the date of posting of a contract award notification in respect of the RFP, a Proponent may contact Purchasing & Supply requesting a debriefing from the City.

Any request that is not timely received will not be considered and the Proponent will be notified in writing. The City will not disclose submission information from other Proponents.

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.

APPENDIX “A”

9.0 Scope of Work

9.1 General Scope of Work

The scope of the work for the successful Proponent shall extend to all aspects of the operations of the City, and by request, to the Boards, Commissions or other entities that are accountable to City Council and/or are controlled by the City.

The City is seeking a fully outsourced internal audit function. The successful Proponent will offer to the City the full capacity of its organization in delivering robust access to specialized and emerging audit functions, including information technology. These services will be delivered by professional auditors with appropriate designations. Internal audit must, at all times, promote and ensure the independence and objectivity of the function, broad audit coverage and followup on the implementation of accepted audit recommendations.

The specific nature of this work will be identified through a four (4) year risk-based audit plan (the “Base Audit Plan”), to be developed after award of the contract by the successful Proponent and updated annually. This plan will be formed with input from the Audit Committee and Administration and will ultimately be approved by the Audit Committee and Council. The risk-based audit plan should include projected time requirements per service area per audit and will be revised and updated on an ongoing basis throughout the duration of the contract.

The internal audit activities will be directed towards reviews relating to the areas of higher risk to the City.

9.2 Base Audit Plan

The following tasks are expected to form part of the four (4) year Base Audit Plan:

- a) Examine and report on the adequacy and effectiveness of internal controls and recommend ways for their improvement.
- b) Examine the adequacy and effectiveness of the quality of performance in carrying out the assigned responsibilities and recommend ways for their improvement.
- c) Appraise the relevance, reliability and integrity of management, financial and operating data and reports.
- d) Review the systems established to ensure compliance with those policies, plans, procedures, statutory requirements and regulations which could have a significant impact on operations.
- e) Review the means of safeguarding assets and verifying the existence of these assets.
- f) Assess the adequacy of established systems and procedures.
- g) Review the planning, design and development, implementation and operation of major computer based systems to determine whether:
 - i) Adequate controls are incorporated in the system
 - ii) A thorough system testing is performed at appropriate stages
 - iii) System documentation is complete and accurate
 - iv) The needs of the users are met;

APPENDIX "A"

9.0 Scope of Work...cont'd

9.2 Base Audit Plan...cont'd

- h) Review the operations or programs to ascertain whether they are consistent with the established objectives and goals and whether the operations or programs are being carried out as planned.
- i) Undertake the performance of value for money audits in order to appraise the economy, efficiency and effectiveness with which resources are employed.
- j) Follow up and provide recommendations on any findings of non-compliance with proper controls including any findings of fraud.
- k) Conduct special assignments and investigations (including fraud, forensic audits, review of lean six sigma projects, joint venture agreements etc.) on behalf of the Audit Committee into any matter or activity affecting the integrity, interests, reputation and operating efficiency of the City.

9.3 Expectations of the Successful Proponent

The following expectations apply to the execution of the Base Audit Plan:

- a) Attendance at all Audit Committee meetings as well as City Council and other committee meetings as required. There are a minimum of four (4) Audit Committee meetings annually.
- b) Liaise with Council, the Audit Committee and administration as required.
- c) Prepare all working papers in accordance with Institute of Internal Audit Standards. To the extent permitted by any applicable legislation, the City shall have access to review and take copies of the Proponent's working papers and other analytical documents during the course of the engagement and upon completion of the work. The Proponent based on a request from the City shall deliver complete signed work paper files upon submission of the audit reports (hard copies and electronic files) in final form to the Audit Committee. Working papers will encompass all documents collected and created during the audit process including, without limitation, documents in written or electronic format, notes made by the auditor including notes from internal meetings amongst employees of the Proponent, interview notes, summaries of documents reviewed or compilations of data. Working papers covers everything that would be involved in the audit.
- d) Provide regular updates to the Audit Committee and City Manager or delegate on site or via telephone on:
 - i) progress/status of audits;
 - ii) significant problem areas including a definitive plan and target date for problem resolution;
 - iii) any impact on the deliverable due dates including budget to actual comparison, and;
 - iv) any impact to overall cost of the audit.
- e) Identify any significant concerns or issues between Administration and the Internal Auditors directly to the Audit Committee.

APPENDIX "A"

9.0 Scope of Work...cont'd

9.4 Evaluating the Auditor's Performance

During the contract period, the auditor's performance will be evaluated based on the following criteria:

- i) **Persons assigned to the audit:**
For the initial year of the engagement, the persons assigned to the audit should be those originally proposed; and any subsequent changes to audit personnel must have similar qualifications and experience and be acceptable to the Audit Committee.
- ii) **Performance in the manner proposed:**
It is expected that the audit will be carried out in the manner proposed. Any changes in the internal audit activities, including the audit plan and the audit methodology shall be discussed with and agreed to by the Audit Committee.
- iii) **Adherence to Audit Deadlines:**
It is expected that the audit will be completed within the time frames agreed to once the audit plan has been determined.
- iv) **Adherence to RFP requirements:**
It is expected that the audits will be completed with general overall adherence to the terms and conditions of the resultant contract related to this RFP.

9.5 Reporting and Privacy

Full and timely audit reports with issues, observations, recommendations and management responses from the client will be provided to the Audit Committee. All final public audit reports will be published on the City's website subject to any MFIPPA, privacy and other confidentiality issues. It is critical that the successful Proponent understands the unique environment in which the City operates.

- a) The City is subject to the *Municipal Freedom of Information and Protection of Privacy Act* ("MFIPPA"-also referred to as the Act). The Act requires municipal institutions to protect the privacy of an individual's personal information existing in government records. The Act creates a privacy protection scheme, which the government must follow to protect an individual's right to privacy. The scheme includes rules regarding the collection, use, disclosure and disposal of personal information in the custody and control of a municipal institution. Also, the Act provides individuals the right to access municipal government information, including most general records, subject to very specific exemptions and exclusions. Personal information collected and records related to work performed on behalf of the City may be subject to MFIPPA.
- b) The City is also subject to the *Municipal Act, 2001*. Section 239 of the *Municipal Act, 2001* provides for seven separate subject matter exceptions to the requirement that meetings be open to the public.

APPENDIX "A"

10.0 Submissions Requirements

10.1 General

- a) The City is requesting proposal submissions from firms who are both interested and capable of undertaking the project.
- b) The onus is on the Proponent to show their knowledge, understanding and capacity to conduct the work outlined in the RFP.
- c) The proposal submissions will be assessed according to how well they assure the City's success in relation to the RFP requirements. The detail and clarity of the written proposal submission will be considered indicative of the Proponents expertise and competence.
- d) All information provided in response to this RFP must contain sufficient detail to support the services being proposed. Incomplete proposal submissions will not be considered.

10.2 Administration Fee

Proponents who do not elect to retrieve the RFP information from Biddingo.com can purchase a hard copy of the document. The cost is \$55.00 in the form of a cheque or Canadian Money Order made payable to the "City Treasurer".

10.3 Mandatory Requirements

- a) Acknowledgement of all addenda on the Form of Proposal in Section 12.8.
- b) A least one (1) original signed "Form of Proposal" MUST be included with the proposal submission.
- c) Satisfactory evidence that the partner(s) is (are) licensed under the Public Accounting Act, 2004.
- d) Include a declaration of conflict statement which identifies any person(s) employed by the City in any capacity that:
 - i) Has a direct or indirect financial interest in the award of the Contract to any Proponent;
 - ii) Is currently employed by, or is a consultant to or under contract to a Proponent;
 - iii) Is negotiating or has an arrangement concerning future employment or contracting with any Proponent; or,
 - iv) Has an ownership interest in, or is an officer or director of any Proponent.

Failure to comply with the Mandatory Requirements shall result in your proposal submission being rejected.

10.4 Specific Requirements

- a) Each copy of the RFP submission is to be bound and include a cover that clearly identifies the firm responding. A table of contents must clearly cross reference the information contained in the submission.

APPENDIX "A"

10.0 Submissions Requirements...cont'd

10.4 Specific Requirements...cont'd

- b) Title page which will include the Proponents legal name, address, telephone and fax numbers, e-mail address, name of the primary contact and date.
- c) The proposal submission shall be limited to a maximum of fifty (50) pages of 8.5" X 11" paper, printed double-sided in portrait format, fonts used should not be smaller than 12 point with margins of a minimum size of ½" top, bottom, left and right, pages numbered. Any information provided in excess of the stipulated maximum within the core body of the proposal submission will not be taken into account in the evaluation of the proposal.

Title pages, table of contents, tabbed dividers and appendices will not be included in this limit, and therefore must not include material intended for evaluation.

- d) Identify any Subcontractors, subconsultants, their relevant skill set and what area of the solution they will be contributing too.

10.5 Firm Profile

Provide a brief narrative addressing the following points:

- a) The relevant perceived strengths and weaknesses of the firm in the field of internal audit including the ability to identify, evaluate and facilitate the minimization of the City's exposure to risks associated with inadequate and ineffective internal controls.
- b) Describe what your firm believes are the critical success factors for Internal Audit and how you will demonstrate value to the City.
- c) Include comment on any ideas respecting the audit function that your firm believes the City should consider.
- d) Detail what additional value your firm can bring to the City if awarded the contract.

10.6 Audit Experience & References

- a) Provide a list of the firm's current and prior largest municipal clients indicating the type(s) of service performed, the number of years served for each client. Please include specific examples related to internal auditing in the public sector and at least three (3) references of similar size and scope to the City.
- b) Demonstrate your ability to carry out specialized audits e.g. value-for-money, information system, and fraud audits.
- c) Provide evidence the firm has experience in auditing a large, complex and computerized municipality.

APPENDIX "A"

10.0 Submissions Requirements...cont'd

10.7 Proposed Personnel and Staffing

- a) Provide the name and position of the person proposed as the key liaison.
- b) Provide curriculum vitae (CV) and experience profile of the Proponent's key staff who will be responsible for this contract including the expected percentage of their time committed to the City.
- c) Describe the experience in municipal internal audits of the partner, manager/supervisor, and senior assigned to the audit including years on each job and their position on each audit. Describe the role of each member of the audit team assigned to the audit including staff in specialized areas.
- d) Indicate the local office(s) where the staff will be located, which office will be assigned the audit and provide a detailed list of audit staffing and their positions.
- e) Describe the relevant educational background of each individual assigned to the audit. This should include seminars and courses attended within the past two years.
- f) Describe any specialized skills, training and background in internal audit by assigned individuals. This may include participation in municipal or provincial consulting assignments, speaker or instructor roles in conferences or seminars or authorship of articles and books.

10.8 Proposed Audit Approach and Methodology

- a) Explain your Internal Audit methodology and risk assessment process including the manner in which you would develop a four (4) year risk-based audit plan.
- b) Describe your approach to the planning, fieldwork and reporting phases of an internal audit assignment, including the normal depth of coverage of the audit fieldwork.
- c) Describe the ways in which your firm will bring innovation, thought leadership, better practices in Internal Audit, tools and technologies resident in the firm to help ensure easy access to such information and any other capabilities that will enhance the performance for the Internal Audit function and help ensure continuous improvement, influence and value to the organization. Please describe your approach to sharing such knowledge with the City.
- d) Description of how your firm would work with the Audit Committee.
- e) Explain your quality control process, including peer review.

APPENDIX "A"

10.0 Submissions Requirements...cont'd

10.9 Proposed Base Audit Plan

Proponents must provide a sample Base Audit Plan for consideration. The suggested Base Audit Plan should represent one year of audit work covering the jurisdiction described in this RPF within the \$309,000 annual budget described in section 10.10. The suggested Base Audit Plan must include:

- i) A description of the items in the audit jurisdiction to be reviewed during the year;
- ii) The methodology to complete a risk assessment;
- iii) The manner and methodology of prioritization;
- iv) The total audit hours to be utilized for the Base Audit Plan;
- v) The number of audit hours to be assigned to each audit plan item including timing of the work and proposed completion date;
- vi) All significant assumptions regarding City Support and staffing underlying the suggested Base Audit Plan; and
- vii) Sample form and template(s) of all audit reporting and communication to the Audit Committee.

It should be noted that the related agencies, boards, commissions and corporations as identified in Section 3.0 require their Board to approve any work proposed in the Base Audit Plan.

10.10 Proposed Fees

Proponents are required to submit:

- a) A fee for the development of a rolling four (4) year risk-based audit plan (Base Audit Plan) that should include projected time requirements per audit;
- b) The time it will take to develop the above noted four (4) year risk-based audit plan (Base Audit Plan) that should include projected time requirements per audit; and
- c) A schedule of proposed hourly rates for all project personnel by classification for the term of the contract.

Included with this should be the percentage of commitment to perform the work by personnel classification. Also, the Proponent should provide appropriate detail of their proposed fees and billing arrangements, breaking out staff costs vs. expenses where applicable.

Information should be included in the proposal regarding any advisory services which may be available to the municipality free of charge on routine matters. This may include staff assistance and/or publications.

It should be noted that the 2017 budget is \$309,000.

APPENDIX “A”

10.0 Submissions Requirements...cont'd

10.11 Other Information

- a) Provide a brief explanation of why your firm should be selected (specific, detailed, verifiable information).
- b) The onus is on the proponents to show their knowledge, understanding and capacity to conduct the work outlined in the RFP. The proposals will be assessed according to how well they assure the City of success in relation to the RFP requirements. The detail and clarity of the written submission will be considered indicative of the proponent's expertise and competence.

11.0 Evaluation Criteria

11.1 Evaluation Team

Proposal submissions will be evaluated by the Internal Audit Services Evaluation Committee, based on specific criteria. The Internal Audit Services Evaluation Committee will consist of the Audit Committee Chair, Vice Chair of the Audit Committee, Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, a representative from both the City Manager's Office and the Finance & Corporate Services Area and will be supported by appropriate members of Civic Administration including Purchasing & Supply.

The Internal Audit Services Evaluation Committee will recommend a short list of Respondents to the Audit Committee for an interview and presentation.

The Audit Committee will interview the short listed Respondents and recommend their selection to Council.

By responding to this RFP, Proponents acknowledge that the evaluation team is solely responsible for recommending the successful Proponent.

11.2 Evaluation Process

Each proposal submission will be evaluated by the City on the basis of the information provided by the Respondent in its RFP. Each proposal submission will be reviewed to assess compliance with the requirements set out in this RFP document. Evaluation results will be the property of the City. The City does not intend to disclose details of the evaluation results, under any circumstances.

After receipt of the proposal submissions the City may request clarification of proposal submissions. The City may request clarification to ascertain a Proponent's understanding of, and level of responsiveness to, the proposal submission for the purpose of the evaluation process.

The City, in its sole discretion may adjust the evaluation score or ranking of proposal submissions as an outcome of the clarifications. The City reserves the right to limit clarification to any number of Respondents as determined by the City regardless of the number of the Proponents that submitted proposal submissions.

APPENDIX “A”

11.0 Evaluation Criteria...cont'd

11.3 Evaluation Criteria & Weighting

The proposal submission will be evaluated based on criteria developed by the City which include, but are not limited to the following:

- Demonstrated knowledge of municipal government operations and emerging issues;
- Demonstrated knowledge of legislation relating to auditing provisions, and Freedom of Information requirements;
- Proponent’s reputations, qualifications and experience;
- Information obtained by references provided by the Proponent;
- Information obtained from third parties;
- Contents, completeness, clarity and responsiveness of the Proponent’s proposal submission;
- Skill and experience of the Proponent’s proposed staff;
- Information provided by the Proponent in response to any Request for Additional information;
- Any other information provided by the Proponent or obtained by the City during the RFP process.

The evaluation criteria will be based on, but not limited to, the following:

Section	Criteria	Weighting (Points)
10.5	Firm Profile;	10
10.6	Audit Experience and References;	15
10.7	Proposed Personnel and Staffing;	10
10.8	Proposed Audit Approach and Methodology;	20
10.9	Proposed Base Audit Plan; and	20
10.10	Proposed Fees.	25

The order of the items listed in this Section should not be taken as an indication of the relative importance of any particular criteria in the evaluation process.

11.4 Interview & Presentation

At the City’s sole discretion, interviews & presentations may be requested and conducted starting the week of September 19, 2016. The interview & presentation process shall be based on the following criteria and are to be attended by the Proponent’s representatives who will be servicing the City’s account.

APPENDIX "A"

11.0 Evaluation Criteria...cont'd

11.4 Interview & Presentation...cont'd

Interview & Presentation Agenda:

- i) Brief introduction of evaluation team and Proponents team, 5 minutes;
- ii) Presentation by the Proponent, no more than 30 minutes; and
- iii) Question & answer period, 25 minutes.

The interview & presentation phase for short-listed Proponents (based on their initial scoring) shall be evaluated by the Audit Committee based on the following criteria:

- a) Presentation;
- b) Responses to questions; and
- c) Overall completeness and suitability to undertake this project.

Once the interview & presentations are complete, the Audit Committee shall recommend the chosen Proponent to Council. Council makes the final decision on the appointment of an audit firm.

11.5 Best and Final Offer (BAFO) (if required)

Following the closing of the RFP, the City may, but shall not be obligated to, choose to invite the Proponents to participate in a Best and Final Offer process. The Best and Final Offer process is as follows:

The invited Proponents who agree to participate will then individually be requested to meet with the City to:

- a) Clarify the particulars of the City's scope of work;
- b) Clarify the Proponent's suggestions, solutions and methods of work;
- c) Discuss options for alternative methods of achieving the City's desired results; and
- d) Explore alternative ways the City can achieve the best possible service, supply and / or performance of the Project.

Following any such discussions and meetings, the City may request the Proponents who have agreed to participate in this Best and Final Offer process to submit a Best and Final Offer Proposal by a fixed date and time chosen by the City.

Following receipt of the Best and Final Offer Proposals in accordance with this section 11.5, the City will then evaluate such Best and Final Offer Proposals that it has received against the evaluation criteria previously described in the RFP.

APPENDIX “A”

11.0 Evaluation Criteria...cont'd

11.5 Best and Final Offer (BAFO) (if required)...cont'd

Thereafter the City may select a Preferred Proponent with whom to enter into negotiations for the award of all or part of the RFP who has in the City's opinion offered the most value for money to the City. The City is not however bound to select the highest scoring or any Proposal received and may cancel this Best and Final Offer process at any time. Note: this option will only be invoked if a satisfactory outcome to the specified evaluation process is not achieved.

11.6 Award Recommendation to City Council

The Audit Committee will present its award recommendation to the Manager of Purchasing & Supply for perusal and endorsement to proceed with the award recommendation to City Council for final approval. City Council makes the final decision on the appointment of an internal auditor.

11.7 Selection Process

- i) Receive written responses from Proponents;
- ii) Evaluate Proposals and confirm compliance with all mandatory requirements;
- iii) Interviews & Presentations, if necessary;
- iv) BAFO, if required;
- v) Award Recommendation to Audit Committee and City Council of Successful Proponent;
- vi) Agreement, Purchase Order or Contract Record; and
- vii) Commencement of Services.



Chris Ginty, CPPB
Procurement Officer
Purchasing & Supply - Finance and Corporate Services
City of London

Manager, Purchasing & Supply Operations _____ Geoff Smith, CSCMP

APPENDIX "A"

12.0 Form of Proposal

At least one (1) signed original of this form of proposal must be included in your proposal submission.

- 12.1 Please state terms of payment (Note: Early payment discounts will be considered in the award of the contract, and will apply **before** taxes):

- 12.2 I/WE, the undersigned authorized signing officer of the Proponent, HEREBY DECLARE that no person, firm or corporation other than the one represented by the signature (or signatures) of proper officers as provided below, has any interest in this proposal submission.
- 12.3 I/WE further declare that all statements, schedules and other information provided in this proposal submission are true, complete and accurate in all respects to the best knowledge and belief of the Proponent.
- 12.4 I/WE further declare that this proposal submission is made without connection, knowledge, comparison of figures or arrangement with any other company, firm or persons making a proposal and is in all respects fair and without collusion for fraud.
- 12.5 I/We declare that, regarding this proposal submission, no potential conflict of interest exists as outlined in the Terms and Conditions. (If no conflict exists, enter N/A):

- 12.6 I/WE further declare that the undersigned is empowered by the Proponent to negotiate all matters with the Corporation representatives, relative to this proposal submission.
- 12.7 I/WE further declare that the agent listed below is hereby authorized by the Proponent to submit this proposal submission and is authorized to negotiate on behalf of the Proponent.
- 12.8 I/WE have allowed for Addenda numbered as follows: #_____ through to #_____.

Failure to acknowledge all addenda will result in your proposal submission being rejected.

Company Name: _____ HST Registration Number: _____

Address: _____ Date of Proposal Submission: _____

City/Province: _____ Postal Code: _____

Authorized Signature: _____ Title: _____
I/We are authorized to bind the Company/Corporation

Name (Please print or type): _____ Email Address: _____

Telephone Number: _____ Fax Number: _____

Note: Please return your written submission and USB flash drive in addition with page 27 complete with an original signature in ink on or before **2:00 pm, local time, Thursday, July 28, 2016**, failure to do so shall result in the Proposal Submission being rejected.