

1. Do you anticipate any significant changes in operations/financial reporting between the most recent audited financial statement provided and the year we will be engaged to audit?

No, not for the 2025 audit. We will however be implementing a new financial system that will be in use prior to the 2026 audit.

2. What is the main reason for changing accounting firms?

The Town appoints its auditors for a period of 5 years which was completed after the 2024 audit.

3. Can you describe the number of years and experience of the finance team?

Treasurer has worked in accounting for 29 years and for municipalities for 12, other staff vary from 2 years to 25 years.

4. Can you provide a copy of the following reports from your most recent financial statement audit?

- a. List of adjustments, if any
- b. List of unadjusted errors, if any
- c. Management letter, if any

All contained in the attached Management Letter

5. Are any additional assurance reports required as part of your funder reporting that you are expecting to be included in the cost of the annual engagement? If so, can you provide copies of the most recent reports.

All required reports were detailed in the RFP document.

6. Could you share if you have an internal bookkeeper and reviewer or if your bookkeeping is outsourced to an external provider?

We have a finance team of 6 staff. All accounting is done in house.

7. When do you expect to issue financial statements? (board approval date?)

Library – 3rd Wednesday in April

BIA – joint agreement on date annually with the BIA Coordinator

Consolidated Town Statements: 4th Tuesday in April

8. Do you want us to include a quote for assistance with tax reporting (T2/T1044 or T3010)?

No, as a municipality, we are not subject to tax. The Library is a charitable organization however staff complete the return.

9. Do you want us to include a quote for preparing the Financial Information Return?

No, staff prepare the FIR.

10. The RFP mentions that the audit must be completed and presented to Council before the end of April. Are there any key milestone dates we should be aware of (e.g., interim audit, draft submission)?

Drafts to Treasurer at least 10 days prior to presentation.

11. How do you define success in your audit relationship? Are there specific performance indicators or service expectations we should be aware of?

Just those contained in the RFP.

12. Could you let us know your budget for our services, both including and excluding tax returns? This will help us make sure our fees are within your expectations as you transition from a local accounting firm. We're here to support and work with you for your needs, so please feel free to share any specific budget goals or concerns you have.

Budgets are as follows for 2025 however, we will set new budgets based on the results of this RFP; Town = \$37,000; BIA=\$2400; Library=\$2400

13. Could you please provide more details on the specific financial records and statements that need auditing, particularly for the affiliated bodies like the Public Library Board and Business Improvement Area Board? Could you please share with us a copy of their most recent audited financial statements?

Copies attached. All financial records are maintained in the same software and location as the Town.

14. Are there any specific milestones or deadlines within the audit period that we should be aware of, aside from the annual schedule mentioned?

No, just the schedule in the RFP

15. Software: Can you indicate which financial software(s) is used by the Town of Carleton Place? Is management anticipating any significant system changes (conversions, upgrades, etc) in the next few years?

Financial system – Great Plains with Diamond add ons for taxes, water and Canadian payroll

PSD CityWide – TCA data

We are moving to a new financial system in 2026. Microsoft Business Dynamics 365 with Sylogist add ons for taxes, water and Canadian payroll.

16. Audit adjustments: Can you provide a list of adjusting entries posted during the audit and also share any uncorrected errors identified by the auditors?

See Management Letter

17. Did your current auditors have a control reliance approach on certain cycles?

We have had both approaches in the past.

18. Were control deficiencies identified by the auditors in the past? If so, could you share recommendations that were issued?

See Audit Findings Report

19. Can you indicate the duration of the audit, number of auditors and approximate audit fees for all entities?

Budgets are as follows for 2025 however, we will set new budgets based on the results of this RFP; Town = \$37,000; BIA=\$2400; Library=\$2400

The time taken and number of audit staff has varied significantly from one year to the next. This past year there were 3 staff in addition to the partner. Interim audit was 2 days and final was 4 days.

20. Oral Presentation: If required, could you provide more details on the format and expectations for the oral presentation to the Committee?

In person presentation of highlights and key findings during a public, live streamed Council meeting. Maximum of 10 minutes.

21. Service Orgs: Are there any service organizations used in the financial reporting process – are you aware if CSAE 3416/SOC reports are available on the operating effectiveness of their internal controls?

No service organizations used in financial reporting.

22. Location: Can you please share your preference for onsite vs. remote visits?

Remote work is fine except for testing payroll and accounts payable as these functions are currently reliant on paper. This may change with the implementation of the new ERP in 2026.

23. Financial Statements: Does management prepare the financial statements or do your current auditors prepare the financial statements for you?

Management provides all data summarized in statement categories however auditors will prepare the financial statements

24. Why are you going to RFP this year?

The Town appoints its auditors for a period of 5-years which was completed after the 2024 audit.

25. What do you currently enjoy from your relationship with your auditors?

Open communication; good, collaborative relationships;

26. Are there any pain points you're facing with the audit?

No

27. On average, how many journal entries are posted annually as a result of the audit?

5 to 10

28. What are the most significant management letter points that have been raised by your auditors in the past couple of years?

See Audit Findings Report

29. What are the current audit fees for each of the entities?

Budgets are as follows for 2025 however, we will set new budgets based on the results of this RFP; Town = \$37,000; BIA=\$2400; Library=\$2400

30. The RFP mentions the audit the financial statements should include the Corporation of the Town of Carleton Place as well as the Public Library Board and the Business Area Board of Management. Are separate audit opinions required for these 2 entities? If so can we obtain the most recent audited financial

statements as they did not seem to be included separately within the Town's financial statements.

Separate statements are provided and then the BIA and Library are consolidated with the Town. Documents attached.

31. We notice the RFP mentions the senior auditor should be on site. Do you prefer the audit to be all on site (planning/interim and year-end audit)?

Remote work is fine except for testing payroll and accounts payable as these functions are currently reliant on paper. This may change with the implementation of the new ERP in 2026.

32. 1.17.2 of the RFP requests to list 3 municipal clients as references. The references table within the Bid forms includes 4 references. Please confirm how many references are required and if the 4th can be another public sector entity not necessarily a municipality.

3 municipal references are required. You may add additional references of any kind if you wish.

33. 1.18.3 of the RFP requests separate fee schedules for the Town, the BIA, the Library and Childcare Services. We already had a question above for the BIA and the Library but could you elaborate on the services required for the Childcare Services? We noticed the unaudited schedule within the Town's consolidated financial statements. Are there other services required?

No, just the schedule contained in the statements. Our current auditor recently required the addition of "unaudited" in the Childcare Schedule title. In the past this schedule was just included without that statement which was our preference.

34. The RFP mentions to submit 2 attachments – one technical proposal and one pricing proposal. Can you confirm the schedules included in the bid forms should be included within the technical proposal (except the fee schedule of course)?

Yes, that is correct. Only pricing is to be included in the pricing proposal.

35. For the forms in the bid forms – could we obtain a fillable version or can we use these as templates and complete similarly within our proposal?

Unfortunately, MERX does not allow for fillable forms.

36. What softwares that have an impact on the financial statements does the Town use?

Financial system – Great Plains with Diamond add ons for taxes, water and Canadian payroll

PSD CityWide – TCA data

37. Are service organizations used by the Town?

No.

38. What does a successful relationship between you and your auditors/advisors look like?

Open communication; good relationships; on time and on budget.