



April 5, 2020

Accounting/Audit Firm

Dear Sir/Madam,

Livingstone Range School Division is currently requesting proposals for our external auditing services. The specific details of our request are attached to this letter. We are a small rural school division that offers quality education in a dynamic learning environment.

What are we looking for in an external auditor?

We require a high level of quality service. We desire a firm who is easy to work with and produces high quality deliverables and advice.

In this ever changing world of government and school business we require that our auditor have significant industry experience and knowledge. We hope to work with someone who understands school divisions, our specific needs, and complexities.

Given our division's size, limited resources, and recent budget announcements we are very price-conscious. We understand quality does come at a price but hope to receive competitive bids for our auditing services.

We are looking for a partner we can work with successfully to help Livingstone Range School Division best meet our requirements and objectives for the next five years.

Thank you for your time. We hope to be hearing from you soon.

Sincerely,

A handwritten signature in black ink, appearing to read "Brad Toone", is written over a white background.

Brad Toone
Audit Committee Chair
Livingstone Range School Division
410 - 20th Street East, PO Box 1810
Fort Macleod, AB T0L 0Z0
(403) 625-3356

Leaders in providing quality education to rural students in a dynamic learning environment.

PO Box 1810, 410 20 Street • Fort Macleod AB T0L 0Z0
Phone: 403-625-3356 • Fax: 403-553-0370 • Toll-Free: 800-310-6579 • www.lrsd.ca



Request for External Auditor Proposal

You are invited to submit a proposal for furnishing independent audit services to the Livingstone Range School Division (LRSD) in accordance with the requirements of the Education Act, Sections 137 - 143 (copy attached).

Eligibility

The firm must be eligible in accordance with Section 137 of the Education Act.

The firm must demonstrate an ability to carry out the audit to full professional standards, in conformity with provincial requirements and Board expectations.

The firm must also have experience auditing school divisions. Firms with no prior school division experience will not be considered. References will be checked.

Scope of Audit

The audits shall include the examination of the records and financial statements of the Board.

Specifically included will be all related audit and certification work required by the Education Act and various provincial and federal ministries and agencies, including the Board's compliance with Local Authorities Pension Plan requirements.

The responsibilities of the auditors will generally be limited to the expression of an opinion on the financial statements and discussions with respect to presentation and disclosure. They will not include accounting work, physical preparation of financial statements, schedules, working papers, or any other non-audit responsibilities; as this responsibility rests with LRSD staff. Should these be required of the auditor, they will be discussed separately from the formal audit of the Board's activities.

Professional counsel to Livingstone Range School Division as it may relate to the above as well as day-to-day operations of the school division.

Term of appointment by Board of Trustees will be five years. The first year of appointment will be for the fiscal year ending August 31, 2020.

Leaders in providing quality education to rural students in a dynamic learning environment.

PO Box 1810, 410 20 Street • Fort Macleod AB T0L 0Z0
Phone: 403-625-3356 • Fax: 403-553-0370 • Toll-Free: 800-310-6579 • www.lrsd.ca

Requirements

Annual Schedule

Before June 30th of each year, the Board's auditors (hereinafter referred to as the auditor) and the Director, Business Services shall meet to prepare a schedule of audit activities, which will result in the submission of the Annual Financial Statements of the Board for the year concerned by November 30th, or such earlier deadline as set by Alberta Education.

The above-mentioned schedule shall set out:

- (1) The important key dates by which time necessary information is to be assembled by both parties.
- (2) A timetable and list of all the necessary schedules, working papers, analyses and other information relevant to statement preparation.
- (3) A definition of the responsibilities of both Board and auditors' staffs with respect to preparation of all required documents bearing in mind that there is to be as much involvement from Board staff as possible so that the annual statements may be assembled by Board personnel and at the least cost to the board.
- (4) Dates for meetings between Board and audit staffs to review progress made by both parties.

Qualified Statements

The auditor shall immediately upon discovery of information or conditions which would otherwise lead to the inclusion of a statement of qualification with respect to the Board's financial statements, inform and fully discuss such matters with the Superintendent or his designate. In addition, the auditor shall, allow a reasonable period of time for investigation, analysis, reporting to correct the problem to avoid the inclusion of such qualifications.

Delivery of Annual Financial Statements

Audited Annual Financial Statements shall be delivered to the attention of the Superintendent of Schools by the deadlines set out in the annual schedule.

The auditors will attend such meetings as are called to discuss the annual statements and shall provide such information as requested that will enhance Board members' understanding of matters pertaining to the statements.

Leaders in providing quality education to rural students in a dynamic learning environment.

Post-audit "Management" Letter

No later than thirty (30) days following delivery of the annual statements, the auditors shall prepare and deliver to the Superintendent or his designate, letters conveying the concerns relative to the internal accounting and operating controls and/or other matters of material importance with respect to their operations, which may have been discovered in the course of the audit.

Engagement Letters

The Board and Auditors shall prepare and exchange annual engagement letters that will specify the responsibilities to be discharged by each of the parties.

Adherence to the critical dates outlined with this Proposal Call and the annual schedule referred to above will be an essential feature of satisfactory performance under the audit contract. The agreed year-end plan will be incorporated in the annual engagement letter, which will be required under the audit contracts.

Closing Date

Proposals are to be received by the Associate Superintendent: Business Administration no later than May 15, 2020.

The lowest proposal will not necessarily be accepted. The Board reserves the right to request additional information from companies and to decline any or all proposals made.

The envelopes should be sealed and clearly marked "**PROPOSAL FOR EXTERNAL AUDIT**" and should be addressed to:

Jeff Perry, Associate Superintendent, Business Services

Basic Proposal Information

Proposals should include the following information as a minimum:

- (1) Firm name and address and contract person.
- (2) Experience in auditing including particular strengths relevant to this audit.
- (3) Proposed audit fees for five years.
- (4) An estimate of the hours that are anticipated to be required for the annual audit, broken down between the categories of staff.

Leaders in providing quality education to rural students in a dynamic learning environment.



- (5) A profile of the senior staff to be assigned, including the client partner. Please indicate in your proposal the anticipated time of the partner's involvement.
- (6) References of other school division clients.
- (7) Provide any other information you may wish to present in support of your proposal.

Any questions or additional information regarding Regional Division may be addressed to Jeff Perry Associate Superintendent, Business Services or Anthony Burdett Director of Finance. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "BT", is written over a light grey circular stamp.

Brad Toone,
Audit Committee Chair
Livingstone Range School Division
410 - 20th Street East, PO Box 1810
Fort Macleod, AB T0L 0Z0
T: (403) 625-3356
F: (403) 553-0370

Leaders in providing quality education to rural students in a dynamic learning environment.

PO Box 1810, 410 20 Street • Fort Macleod AB T0L 0Z0
Phone: 403-625-3356 • Fax: 403-553-0370 • Toll-Free: 800-310-6579 • www.lrsd.ca

Part 6 Finance and Property

Division 1 Finance

Definition

137 In this Part, “auditor” means a professional accounting firm registered under the *Chartered Professional Accountants Act* and authorized to perform an audit engagement.

2012 cE-0.3 s137;2014 cC-10.2 s174

Auditor

138 Each board shall appoint an auditor.

Financial reporting to the Minister

139(1) The fiscal year of a board is September 1 to the following August 31, unless otherwise specified by the Minister.

(2) The board shall, in each year, do the following:

- (a) on or before May 31, or another date specified by the Minister, prepare and submit to the Minister a budget for the fiscal year beginning on the following September 1;
- (b) on or before November 30, or another date specified by the Minister, submit to the Minister, in the form prescribed by the Minister, copies of
 - (i) the board’s financial statements,
 - (ii) the auditor’s report on the board’s financial statements, and
 - (iii) any written communications between the auditor and the board respecting the systems of internal control and accounting procedures of the board.

(3) The Minister in the Minister’s discretion may publish or otherwise disseminate all or any of the items submitted to the Minister pursuant to subsection (2)(b).

Contents of financial statements and authority to disclose personal information

140(1) The financial statements referred to in section 139(2)(b) must include the following information in respect of the board:

- (a) the remuneration, the benefits, the allowances and the expenses paid to or on behalf of the members of the board, each shown as a separate figure and shown separately for each member;
 - (b) the remuneration, the benefits, the allowances, the expenses and the performance bonuses and other monetary incentives paid to or on behalf of the superintendent, each shown as a separate figure;
 - (c) the remuneration, the benefits, the allowances, the expenses and the performance bonuses and other monetary incentives paid to or on behalf of the secretary-treasurer or the secretary and the treasurer appointed by the board, as the case may be, each shown as a separate figure;
 - (d) the total of the remuneration, the total of the benefits and the total of the allowances paid to or on behalf of the persons in each of the following groups:
 - (i) teachers employed by the board;
 - (ii) non-teaching employees of the board.
- (2) The board has the authority to disclose the information listed in subsection (1) notwithstanding any other Act or any provision of any agreement that purports to prohibit the disclosure of that information.

Auditor's report

141(1) An auditor shall, in accordance with the Canadian Auditing Standards, perform the auditor's examination of, and prepare the auditor's report on, the financial statements prepared pursuant to this Act and submit the report to the board.

(2) Board employees must give the auditor access to all records, documents, books of account and vouchers of the board at all times, and the auditor is empowered to request and receive from the board and any employee of the board any information and explanations that in the auditor's opinion may be necessary to enable the auditor to report as required by subsection (1).

Audit committee

142(1) Each board shall establish an audit committee to

- (a) recommend external auditors to the board,

- (b) review the annual financial statements and report to the board, and
 - (c) attend to other matters as the board may determine in the establishment of the audit committee.
- (2) The audit committee shall comprise at least 5 individuals and shall include at least one of each of the following individuals:
- (a) a member of the business community who is not a trustee;
 - (b) a member of the adult learning community who is not a trustee;
 - (c) a trustee.

Application of funds

143(1) Subject to subsections (3) and (4), any money of a board that is accumulated or acquired for the purpose of capital expenditures must be used only for capital expenditures.

(2) Subject to subsections (3) and (4), any money of a board that is accumulated or acquired for a capital expenditure by borrowing or in any other manner must be used only for the capital expenditure for which it was acquired.

(3) The Minister, on any conditions that the Minister prescribes,

- (a) may permit a board, or
- (b) may require a board

to use money referred to in subsection (1) or (2) for a particular capital expenditure or a particular capital project or for any other expenditure or project whether or not the expenditure or project is one for which the money was accumulated or acquired.

(4) Notwithstanding subsections (1) and (2), a board may effect a temporary transfer of capital funds for a period of not more than 365 days to an account for operating expenses and, on the transfer of the capital funds, the funds may be applied during that period toward operating expenses.

Division 2 Assessment of Property

Definition

144 In this Division, "person" includes a cooperative within the meaning of the *Cooperatives Act*.