

REQUEST FOR INFORMATION No. 255

Financial Audit Methodology and Related Software

The Office of the Auditor General of Canada (OAG) is issuing this request for information (RFI)

- to better understand the availability in the marketplace of financial audit methodology integrated with and accompanied by electronic working paper software, and
- to determine whether such material and software is available in both of Canada's official languages.

Financial audit methodology includes financial audit policies and related guidance, as well as auditing procedures designed to comply with Canadian Auditing Standards and to obtain sufficient appropriate audit evidence of compliance with accounting frameworks generally recognized as acceptable in Canada as set out in the CPA (Chartered Professional Accountants) Canada Handbook, including International Financial Reporting Standards, and associated templates.

More specifically, the OAG seeks information regarding the availability of:

- financial auditing methodology and whether such material is available in one or both official languages;
- electronic working paper software integrating financial auditing methodology and whether such software is available in one or both official languages;
- professional services to help the OAG implement any changes to our existing financial auditing methodology and electronic working paper software;
- ongoing support for the operation of the integrated electronic working paper software (for example, emergency support, patches, and maintenance releases related to the application); and
- ongoing timely updates to the financial auditing methodology and electronic working paper software and associated databases when applicable.

We invite written responses according to the instructions in this document from firms that:

- currently use financial auditing methodology and an electronic working paper software application that satisfies the OAG requirements as briefly outlined in this RFI document, and
- are willing to demonstrate the methodology and electronic working paper software application if requested by the OAG.

The OAG recognizes that firms may be capable of developing customized methodology and software that meet the above requirements; however, we seek responses only from firms with existing methodology and software available for purchase by the OAG.

This RFI is for information-gathering purposes only and may not necessarily result in any subsequent procurement action by the OAG.

A response to this RFI **does not** constitute a bid or proposal, and if a firm does not respond to this RFI or is not invited to provide a demonstration, **the firm will not be precluded from submitting a bid** and/or proposal to any future request for proposal (RFP). Any information or demonstration provided in a response to this RFI may be considered as historical data by the OAG in the RFP process. The OAG will not reimburse any expenditures incurred by firms responding to this RFI.

If you have any questions, please contact Paul Fowlow or in his absence, Lars Norgaard by telephone at 613-952-0213, extensions 5215 or 5006 respectively, or by email at paul.fowlow@oag-bvg.gc.ca lars.norgaard@oag-bvg.gc.ca.

Paul Fowlow

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Section 1 General Instructions for Respondents to the Request for Information

1. We would like to remind firms that respond to this RFI (respondents) that this is an RFI and not an RFP. Therefore, respondents should feel free to provide comments, concerns, and, where applicable, recommendations about how the identified services might be delivered. We invite respondents to comment on the content of this RFI document, and we encourage them to provide information on their experience and qualifications, as well as any additional information that may help the OAG.
2. Responses received after the specified closing deadline for this RFI may or may not be considered, depending on the OAG's timeline and schedule.
3. Respondents may develop and deliver their presentations in either official language of Canada.
4. Respondents may withdraw from responding to this RFI at any time and may do so by sending an email message to paul.fowlow@oag-bvq.gc.ca.
5. Wherever possible, respondents should present the information requested in this RFI in a table according to the format presented in Section 4.
6. All requirements and conditions in this RFI are for the benefit of the OAG and are not to be misconstrued as undertakings or obligations on the part of the OAG.
7. All responses received and presented to the OAG will be kept strictly confidential and will be retained to support the further development of internal OAG planning documents and decisions.
8. The OAG will not be responsible for any costs incurred by respondents associated with the preparation and/or delivery of presentations or demonstrations in response to this RFI.
9. The OAG solicits information through this RFI solely for its own benefit and makes no commitment whatsoever that a resulting contract will be awarded to any respondent replying to this RFI.

2.1 Background

The Auditor General of Canada is an Officer of Parliament who audits federal government departments and agencies, most Crown corporations, and many other federal organizations. The Auditor General reports publicly to the House of Commons on matters that he believes should be brought to its attention. The Auditor General is also the auditor for the governments of Nunavut, Yukon, and the Northwest Territories, and reports directly to their legislative assemblies. The Auditor General's powers and responsibilities are set forth in legislation passed by Parliament. Established in 1878, the Office of the Auditor General of Canada has a long history of dedicated service to Parliament and Canadians.

Specifically, the OAG audits some 100 federal departments and agencies and 40 Crown corporations. The OAG also audits 20 territorial agencies and corporations. The OAG legislative audits include financial audits, performance audits, and special examinations of Crown corporations.

The work of the OAG is conducted by a diverse staff of about 575 audit professionals and administrative support personnel. The OAG has its headquarters in Ottawa with four regional offices across Canada: in Vancouver, Edmonton, Montréal, and Halifax.

The OAG must ensure its financial auditors (approximately 320 staff members) have the accounting and financial auditing knowledge necessary to perform engagements according to professional standards. International Financial Reporting Standards and Public Sector Accounting Standards are the two main accounting frameworks that must be specifically addressed by the OAG. Other financial reporting frameworks affecting our work include accounting standards for pension plans and the International Public Sector Accounting Standards.

More information about the OAG is available at www.oag-bvg.gc.ca.

2.2 Objectives

The OAG is issuing this RFI to gather information to help achieve two specific objectives:

- to determine the extent to which firms are willing and able to provide, on a contractual basis, **bilingual** financial audit methodology, and **bilingual** electronic working paper software that integrates the methodology; and
- to help develop the next steps in the internal OAG approval process for the potential procurement of financial audit methodology and electronic working paper software, and for access to implementation professional services, support, and updates to the methodology and software.

The OAG is interested in receiving written responses from firms that have developed for internal use financial auditing software and electronic working paper software in accordance with this RFI.

2.3 Potential Contractual Relationships

Pending the results of this RFI process and incorporating any lessons learned, we may modify the scope and range of requirements for acquiring financial audit methodology and electronic working paper software from qualified and capable contractors.

A contractual relationship for these products could include

- obtaining financial auditing methodology;
- licensing electronic working paper software;
- professional services to help the OAG implement any changes to existing financial auditing methodology and electronic working paper software;
- ongoing support for the operation of the integrated electronic working paper software (for example, emergency support, patches, and maintenance releases related to the application); and
- ongoing timely updates to the financial auditing methodology and electronic working paper software, and associated databases when applicable.

Section 3: Responding to the Request for Information

3.1 No Commitment or Obligation

This RFI document and any responses received in no way constitute a commitment or obligation on the part of the OAG to establish a contract with one or more parties to provide the services described.

3.2 Confidentiality of Respondent Information

Although the OAG is seeking **comprehensive and detailed responses** from respondents to this RFI, it is understood that respondents **may not be willing or able to address** all of the information sought by the OAG.

To encourage respondents to be as forthcoming as possible, it is understood and agreed that the OAG shall, during and after the period of the RFI, treat as confidential and not divulge, unless authorized in writing by the respondent, any information respondents identify as **CONFIDENTIAL** or **PROPRIETARY**.

The OAG will in no way make any disclosure of any information that respondents have identified as **CONFIDENTIAL** or **PROPRIETARY**.

The OAG will also not impose any future obligations or commitments on respondents for claims or cost information contained within their responses.

3.3 Abbreviations

- CPA Canada—Chartered Professional Accountants of Canada
- IFRS - International Financial Reporting Standards
- IPSAS – International Public Sector Reporting Standards
- OAG - Office of the Auditor General of Canada
- PSAS - Public Sector Accounting Standards
- RFI – Request for Information
- RFP – Request for Proposal

3.4 Timetable

The overall timetable for the RFI process is as follows:

| Activity | Date |
|---|-------------------------------|
| RFI release date | 24 July 2015 |
| Deadline for receipt of written questions | 4 August 2015, 2:00 p.m. EDT |
| RFI closing date | 13 August 2015, 2:00 p.m. EDT |

3.5 Reserved Rights

In addition to any other expressed or implied rights, the OAG reserves the right to:

- cancel this RFI process at any time and issue a new RFI for the same or similar information;
- change the structure and timing of the RFI process;
- vary or extend any date or time in this RFI at any time, and for such a period as the OAG at its absolute discretion considers appropriate;
- make changes, including substantial changes, to this RFI provided they are issued in an addendum to this RFI;
- request written clarification or the submission of supplementary information from any or all respondents, or provide additional information or clarification;
- contact any customer or reference provided within a respondent's submission, as part of the assessment process; and
- not consider any response that contains information that the OAG (in its exclusive opinion) believes to contain misrepresentations or any other inaccurate, suspicious, or misleading information.

Section 4 Response Table for the Request for Information

To gain the greatest value from responses to this RFI and to facilitate a consistent and structured assessment of the information provided to the OAG, please respond to the questions in the following table.

| | |
|------------|--|
| 4.1 | Vendor Profile |
| 4.1.1 | Describe your organization's previous and current experience as a provider of financial audit methodology and electronic working paper software either domestically in Canada or internationally |
| 4.1.2 | Indicate if you are an Aboriginal supplier. |
| 4.1.3 | Indicate your office location(s) in the National Capital Region / in Canada / worldwide. |
| 4.1.4 | Indicate the number of years in business as a business entity (worldwide / in Canada). |
| 4.2 | Financial Audit Methodology |
| 4.2.1 | Does your firm provide its auditors with ongoing access to bilingual financial audit methodology? |
| 4.2.2 | Does your financial audit methodology include accounting framework specific procedures with respect to each accounting framework recognized as generally acceptable in Canada as set out in the CPA Canada Handbook? |
| 4.3 | Electronic Working Paper Software |
| 4.3.1 | Does your firm provide its auditors with ongoing access to bilingual electronic working paper software that integrates your financial audit methodology? |
| 4.3.2 | If a licence to use such electronic working paper software was provided to the OAG or others, would the software allow for online and offline access to the software? |
| 4.3.3 | If a licence to use such electronic working paper software was provided to the OAG or others, would the software and associated databases be hosted on your firm's servers or the licensee's servers? |
| 4.4 | Relationship Between the Firm and the OAG |
| 4.4.1 | What level of support does your firm believe it could provide to the OAG in relation to areas of interest (as indicated by the questions above) or other areas you may suggest? |
| 4.4.2 | What national and local resources does your firm expect to be able to provide to the OAG for the initial set-up phase, as well as ongoing maintenance and the support phase? |

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| 4.4.3 | Does your firm have any similar arrangements with other audit offices? If so, how can your firm`s relationships with other audit offices be used to improve your product? |
| 4.4.4 | How does your firm anticipate delivering and pricing original access and future updates to financial audit methodology and electronic working paper software? |
| 4.5 | Product Licensing |
| 4.5.1 | Describe the standard terms and conditions associated with licences for your electronic working paper software. |
| 4.5.2 | Indicate to what extent your firm would be prepared (and the associated conditions) to allow the OAG to transfer any purchased licences of your product to or from other government departments and agencies. |
| 4.5.3 | Indicate to what extent your firm would be prepared (and the associated conditions) to enter into similar licensing arrangements with the offices of provincial auditors general in Canada. |
| 4.6 | Product Costs |
| 4.6.1 | Indicate the typical life cycle costs (under varying scenarios, if necessary) associated with your product, with respect to the following categories: |
| 4.6.2 | <ul style="list-style-type: none"> • software licences, |
| 4.6.3 | <ul style="list-style-type: none"> • required third-party software, |
| 4.6.4 | <ul style="list-style-type: none"> • implementation costs (consulting), |
| 4.6.5 | <ul style="list-style-type: none"> • training costs, |
| 4.6.6 | <ul style="list-style-type: none"> • product maintenance costs, |
| 4.6.7 | <ul style="list-style-type: none"> • annual operating costs, and |
| 4.6.8 | <ul style="list-style-type: none"> • product upgrade costs. |
| 4.7 | Customer References |
| NOTE: OAG staff may choose to contact these references. | |
| 4.7.1 | <p>Please provide at least three customer references for similar projects completed in the last five years. Project information should include</p> <ul style="list-style-type: none"> • the project name; • a brief project summary or description; • client contact information (name, title, phone number, and email address); and • project end date (the year the project was completed). |