

Request for information (“RFI”) no. 279

Financial Audit Software

The Office of the Auditor General of Canada (OAG) is issuing this RFI to better understand the availability in the marketplace for financial audit software and whether such software is available to users in both of Canada’s official languages.

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

- Electronic working paper software adapted to financial audits conducted in accordance with International Standards on Auditing on Canadian Auditing Standards
- Professional services to assist with software implementation and provide on-going support, and
- On-going timely software updates and maintenance support.

The OAG is particularly interested in receiving information from suppliers that:

- Currently provide software for use in the conduct of financial audits, and
- Can demonstrate use of their software in the context of a financial audit conducted in accordance with either International Standards on Auditing or Canadian Auditing Standards.

This RFI is a market consultation document issued for the purpose of obtaining information to assist the OAG in its procurement planning and is not intended to result directly in any contract award. This RFI is neither a call for tender nor a request for proposals. The issuance of this RFI is not to be considered in any way as authority to potential respondents to undertake any work that could be charged to the OAG. This RFI is not to be considered as a commitment to issue a subsequent solicitation or award any contracts for the work described herein.

While a response to this RFI does not constitute a bid or proposal, and a supplier is not required to respond to this RFI to be eligible to submit a bid and/or proposal in response to any subsequent solicitation process, the OAG may use any information obtained for drafting subsequent solicitation documents and for budgetary purposes. In other words, participation in this RFI is encouraged, but it is not mandatory.

Please note: the OAG may, in its sole and absolute discretion, schedule meetings with respondents to allow the opportunity for a demonstration of how their financial audit software performs, which may display functional capability and validate the information submitted in response to this RFI.

Respondents will not be reimbursed for any cost incurred in participating in this RFI.

Respondents should direct any requests for additional information or clarification related to this RFI in writing by email to: suppliers@oag-bvg.gc.ca.

Section 1: Guidelines for RFI Respondents

1. The OAG would like to remind 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 products and services might be delivered. The OAG encourages respondents to comment on the content of this RFI document and to provide information on their experience and qualifications, as well as any additional information that may help the OAG with procurement planning.
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. Respondents may withdraw from responding to this RFI at any time and may do so by sending an email message to suppliers@oag-bvg.qc.ca.
3. Wherever possible, respondents should present the information requested in this RFI in a table according to the format presented in Section 4.
4. 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.
5. All responses received and presented to the OAG will be kept strictly confidential and will be retained to support the further development of internal procurement planning documents and budgetary decisions.

Section 2: OAG Audit Environment

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 auditors (approximately 320 staff members) have the accounting and 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.

OAG may also provide its audit methodologies, training and tools to provincial auditor general offices for use in their offices.

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

2.2 OAG Information Technology

The OAG currently uses TeamMate R11.2 as its financial audit software. In addition this application, the OAG IT architecture uses an SQL Server Data Warehouse, Cognos BI, IDEA 10.1 and SOAP/XML web services. OAG auditors use common tools in both official languages and often work remotely. Additionally, the OAG is required to comply with the Government of Canada Policy on Government Security thereby requiring software which applies appropriate encryption of audit file content.

2.3 Potential Contractual Relationships

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

A contractual relationship for these products could include, without limitation:

- licensing electronic working paper software;

- professional services to help the OAG implement any changes to existing audit processes 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 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.

3.2 Confidentiality of Respondent Information

Respondents should identify any information submitted that is to be considered as either **CONFIDENTIAL** or **PROPRIETARY** and, if identified as such, information will be treated accordingly by the OAG.

3.3 Abbreviations

- CPA Canada—Chartered Professional Accountants of Canada
- IFRS - International Financial Reporting Standards
- IPSAS – International Public Sector Accounting 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 anticipated timetable for the RFI process is as follows:

Activity	Date
RFI release date	2 March 2017
Deadline for receipt of requests for clarification	10 March 2017, 2:00 p.m. EDT
RFI closing date	31 March 2017, 2:00 p.m. EDT
Completion of scheduled demonstrations	30 April 2017

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 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 sole and 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 sole and absolute discretion) believes to contain misrepresentations or any other inaccurate 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	Supplier Profile
4.1.1	Describe Respondent's previous and current experience as a provider of electronic working paper software either domestically in Canada or internationally.
4.1.2	Indicate if Respondent is an Aboriginal supplier.
4.1.3	Indicate Respondent's 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	Accessibility and language
4.2.1	Can data inputs and outputs, including reports to/from the software, system messages, prompts, screens, field descriptors, on-line help files, system tables and documentation be made available to users in both English and French?
4.2.2	If data inputs and outputs can be made available to users in both English and French, is this a profile setting by an administrator or can the user select their language of choice?
4.2.3	If a licence to use such electronic working paper software was provided to the OAG or others, would the software allow for remote access (VPN) as well as offline access to replicated engagement files?
4.2.4	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 Respondent's servers or the OAG's servers?
4.3	Adaptable to financial audit frameworks - Canadian Auditing Standards and International Standards on Auditing (CAS and ISA)
4.3.1	Can the software be configured to align audit risks and responses across business processes, financial statement line items and financial statement assertions in accordance with CAS and ISA?
4.3.2	Is the software customizable to size and complexity of audit entity, including large multi-location entities and applicable audit and financial reporting frameworks?

	For instance, will it allow integration of activities between parent and related audit files prepared in accordance with CAS 600 or ISA 600?
4.4	Enhance documentation and team collaboration
4.4.1	Does the software allow for team collaboration? For instance; prevents updating the same document simultaneously when auditors are collaborating, manages conflicts when updating files when users work offline, sends notifications (email) to supervisors when work is available for review.
4.4.2	Does the software provide a communication feature for team dialogues (supervisor/reviewer notations, staff responses, team notifications/alerts)?
4.4.3	Does the software maintain work rules and history of events for preparation, edit and electronic sign-off of work papers and audit programs (by whom; date; status, edited since review; preparer and reviewer are separate individuals)?
4.4.4	Can users create electronic referencing (hyperlinks) to and from locations within working papers and procedures?
4.4.5	Can multiple or customized views be made available to assist auditors and reviewers with file management and review?
4.4.6	Can data be auto-refreshed for revisions to linked data (work-papers updated when linked data from a source document is revised)?
4.4.7	Are audit programs and working papers flagged or otherwise indicated if revised subsequent to supervisor signoff (tracking logs of user access and flagging of document post signoff edits)?
4.4.8	Can audit annotations be added directly to work papers (standard and custom auditor tick marks and comments)?
4.4.9	Does the software provide functionality to enhance documentation of important audit matters and findings for follow-up, reporting and development of recommendations?
4.5	Enhance project and practice management
4.5.1	Can simultaneous searching of procedures, findings, and documents across multiple audit files and audit periods?
4.5.2	Does the software provide audit management and office management with the ability to track audits based on actual progress on the audits and monitor strategic information such as; stakeholder interventions, engagement leader review, auditee's responses to findings, communications sent to or shared with audit entity?

4.5.3	<p>Does the software provide query or data mining capabilities from individual audit files allowing for portfolio wide analysis on various matters?</p> <p>For instance; audit approach used for required risks, acceptance or refusal of suggestions, most frequently used risks, most frequent responses, monitoring compliance with archiving requirements of professional standards across engagements</p>
4.5.4	<p>Does the software provide the ability to push or automate updates (e.g. libraries of standard audit procedures) to open audit files?</p>
4.5.5	<p>Does the software allow for communications with audit entity and manage audit information requests and receipt/acceptance of file transfers?</p> <p>For instance; submit and track audit information requests, receive file transfers, facilitate auditor acceptance or clearance of requests, send email notifications of actions, and provide status reports?</p>
4.5.6	<p>Does the software provide data visualization tools for key engagement deliverables and risk/assurance coverage?</p> <p>For instance; the ability to create customized dashboards, provide relational view of file information aligned to CAS and ISA auditing frameworks (risk assessment, audit strategy, testing performed and evaluation of results summarized in a manner which allows engagement leaders to evaluate if sufficient appropriate audit evidence has been obtained).</p>
4.6	Information security
4.6.1	<p>Upon initial storage of file documentation, a security label will be assigned by the document author. Unless otherwise revised or edited, will security labels remain visible when exporting and on printed documents?</p>
4.6.2	<p>Can various access levels be assigned to limit scope of team member access (i.e. assign team member roles and edit/access rights)?</p>
4.6.3	<p>Does the software encrypt, secure, protect, and add extra firewall encryption to audit information contained within the application?</p>
4.7	Optimization of audit processes
4.7.1	<p>Describe any features of the software which might automate audit process logic.</p> <p>For instance; the audit process may be automated to guide auditors based on the information captured and audit decisions (audit programs created or suggested from a database based on strategic/planning decisions made by the auditor).</p>
4.7.2	<p>Can milestones and/or workflow rules be established to ensure certain procedures or actions are completed before others may be started?</p>

	For instance: engagement leader approval of audit plan before documentation of fieldwork tests may commence.
4.7.3	Can the software allow certain actions to be performed outside the software? For instance; procedures or working papers may be pushed via email to an engagement team member for review and sign-off outside of the application and then subsequently imported back into the audit file with a history trail of the approval.
4.7.4	Can users create and perform calculations within the software or must they use separate templates. For instance: when calculating materiality, scoping Financial Statement Line Items, preparing lead sheets, performing analytical review procedures, calculating samples sizes, projecting sampling errors, or preparing a summary of misstatements.
4.7.5	Can reports be generated directly from templates or data within the audit file? For instance: compile data to prepare reports such as; the report to the audit committee, summary of unadjusted differences, management letter of audit findings, terms of the engagement letter, confirmation letters (bank, legal counsel or accounts receivable).
4.7.6	Does the software provide a way for audit procedures to be scored or quantified in a manner which assists the auditor in determining if the extent of audit evidence obtained against related risks is sufficient and appropriate?
4.7.7	Does the software provide features which facilitate auditor review of the financial statement close process? For instance: able to import general ledgers and/or trial balances to create and update lead schedules, prepare analytical reviews, track correcting journal entries, and prepare basic financial statements for comparison with client prepared financial statements.
4.7.8	Can finalized audit files be archived to a central storage and retrieval database and prior year audit work papers, recommendations and planning points and also be rolled forward to a new audit file?
4.7.9	Can the software interface with mobile devices such as: Blackberry, Surface Pro and other smartphones and tablets?
4.8	Integration with other databases
4.8.1	Can the software be configured to allow users to access information located outside the application? For instance: access to OAG audit manual, policies, tools and professional standards (single click access to audit tools via pop-up windows and links)

4.8.2	Can the software push system event data, documents and results to a central database and allow access to certain content in closed project files by other systems?
4.8.3	Can the software facilitate product management and audit quality measurement by integrating with other systems for the purpose of extracting relevant data? For instance: data gathering for key performance indicators, provide drill down/through insight reporting, dashboard displays for on-going monitoring and measurement of results and provide end user/system administrator ability to implement new performance indicators.
4.8.4	Can the software integrate with auditor timesheet databases? For instance: automate budget to actual project performance analysis or ensure compliance with independence declarations prior to allowing team members to access files / commence work.
4.8.5	Can the software integrate with data analytic and sampling software or other similar audit tools? For instance; integrate with data analysis software, including access to auditor prepared analysis scrips and results logs where results may be imported/integrated with audit file work papers to support audit documentation.
4.9	Relationship Between the Supplier and the OAG
4.9.1	What level of support does Respondent believe it could provide to the OAG in relation to areas of interest (as indicated by the questions above) or other areas Respondent may suggest?
4.9.2	What national and local resources does Respondent expect to be able to provide to the OAG for the initial set-up phase, as well as ongoing maintenance and the support phase?
4.9.3	Does Respondent have any similar arrangements with other audit offices? If so, how can Respondent`s relationships with other audit offices be used to improve your product?
4.9.4	How does Respondent anticipate delivering and pricing initial acquisition and future updates to financial audit methodology and electronic working paper software?
4.10	Product Licensing
4.10.1	Describe the standard terms and conditions associated with licences for your electronic working paper software.

4.10.2	Indicate to what extent Respondent 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.
4.10.3	Indicate to what extent Respondent would be prepared (and the associated conditions) to enter into similar licensing arrangements with the offices of provincial auditors general in Canada.
4.11	Product Costs
4.11.1	Indicate the typical life cycle costs (under varying scenarios, if necessary) associated with your product, with respect to the following categories:
4.11.2	<ul style="list-style-type: none"> • software licences,
4.11.3	<ul style="list-style-type: none"> • required third-party software,
4.11.4	<ul style="list-style-type: none"> • implementation costs (consulting),
4.11.5	<ul style="list-style-type: none"> • training costs,
4.11.6	<ul style="list-style-type: none"> • product maintenance costs,
4.11.7	<ul style="list-style-type: none"> • annual operating costs, and
4.11.8	<ul style="list-style-type: none"> • product upgrade costs.
4.12	Customer References
NOTE: OAG may, in its sole and absolute discretion, contact any references to validate any information submitted by the Respondent.	
4.12.1	<p>Please provide 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).