



## **AUDIT COMMITTEE MEETING - VPCHI**

**12:00 P.M., THURSDAY APRIL 28, 2016**

# **A G E N D A**

	<b>Item</b>	<b>Lead</b>	<b>Time</b>
12:00	1. Call to Order	S. Naylor	1 min.
12:01	2. Conflict of Interest Declarations	S. Naylor	1 min.
12:02	3. Approval of the Agenda	S. Naylor	1 min.
12:03	4. Review of RFP Results	V. Fowler	15 min.
12:18	5. Terms of Reference – Audit Committee	V. Fowler	10 min.
12:28	6. Committed Procedures/Late Invoices	V. Fower	15 min.
12:43	7. New Business	S. Naylor	1 min.
12:44	8. Adjourn	S. Naylor	1 min.



# Victoria Park Community Homes

Finance Department

## Report

Date: April 14, 2016

To: Audit Committee  
Victoria Park Community Homes Inc.  
Victoria Park Affordable Housing Corp.  
Victoria Park Community Homes Management Project

From: Veronica Fowler, CPA, CGA  
Manager, Finance & Administration

RE: RFP Results for Auditors

### **Summary:**

To appoint auditors for for the Fiscals years 2016 – 2020.

### **Recommendation:**

To appoint Prentice Yates & Clark (PYC) for Victoria Park Community Homes Inc. (VPCHI), Victoria Park Affordable Housing Corp. (VPAHC), and Victoria Park Community Homes Management Project (VPCHMP) with the following remuneration:

PYC	2016	2017	2018	2019	2020	Total
VPCHI	\$22,050.00	\$22,725.00	\$23,400.00	\$24,100.00	\$24,825.00	\$117,100.00
VPAHC	\$7,850.00	\$8,100.00	\$8,325.00	\$8,575.00	\$8,850.00	\$41,700.00
VPCHMP	\$6,550.00	\$6,750.00	\$6,950.00	\$7,150.00	\$7,400.00	\$34,800.00
<b>Total</b>	<b>\$36,450.00</b>	<b>\$37,575.00</b>	<b>\$38,675.00</b>	<b>\$39,825.00</b>	<b>\$41,075.00</b>	<b>\$193,600.00</b>

### **Background:**

I would like to remind the committee that I have a perceived conflict of interest with PYC. I worked at PYC for four (4) years from 1999 to 2003.

Staff executed a Request for Proposal for Audit Services. We did this in error a year early. The results are attached. We requested each firm quote on each company separately.

Six firms were invited and the RFP was sent electronically. One firm declined to respond. One firm email was rejected and it was not discovered until a couple of days later. The



# Victoria Park Community Homes

## Finance Department

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rejected email was discovered when we issued an Addendum to the RFP. Three Addendums were issued in total. Due to the tight deadline and the re-scheduled briefing session, due to bad weather, we extended the deadline March 31<sup>st</sup> to April 8<sup>th</sup>. The other two (2) addendums were issued for information requested by 2 different firms.

One firm was 1 minute late in responding to the RFP. This is the same firm that received the RFP later therefore, I have included this firm with the results. One firm only quoted on the 2016 year, and included only 1 price for VPCHI and VPAHC. They were not the lowest bidder at \$25,000 and we did not include in the attached results.

We have summarized the results by each company individually, VPCHI and VPAHC combined, and all three combined. The clear winner of all three companies is PYC by \$6,600 compared to the next lowest bidder for all three companies. Most of the savings will be recognized by VPCHMP.

Although over the past 4 years having two auditors was not the inconvenience that we had feared. It is our preference is to award VPCHI and VPAHC to the same auditor. To change from PYC to BDO for a savings of \$720 would be a significant aggravation for staff. There have been significant changes at PYC with the retirement of the partner, David Robertson we have experience some fresh eyes with new and different questions that have been welcomed.

All firms are perfectly capable of doing our audit, PYC is a boutique firm that deals primarily with Non-Profits and Co-operatives and are a leader in this sector.

We are recommending awarding all three companies to PYC.

**Prepared by:** Veronica Fowler, CPA, CGA  
Manager, Finance & Administration

**Approved by:**

<b>VPCHI</b>	2016	2017	2018	2019	2020	Total
PYC	\$22,050.00	\$22,725.00	\$23,400.00	\$24,100.00	\$24,825.00	\$117,100.00
KPMG	\$26,000.00	\$26,000.00	\$26,700.00	\$26,700.00	\$27,500.00	\$132,900.00
Grant Thornton	\$25,000.00					\$25,000.00 VPCHI and VPACH combined
BDO	\$20,800.00	\$20,800.00	\$20,800.00	\$21,320.00	\$21,320.00	\$105,040.00
MAC	\$36,000.00	\$37,500.00	\$39,000.00	\$41,000.00	\$42,500.00	\$196,000.00

<b>VPACH</b>	2016	2017	2018	2019	2020	Total
PYC	\$7,850.00	\$8,100.00	\$8,325.00	\$8,575.00	\$8,850.00	\$41,700.00
KPMG	\$9,095.00	\$9,095.00	\$9,630.00	\$9,630.00	\$9,665.00	\$47,115.00
Grant Thornton	\$25,000.00					\$25,000.00 VPCHI and VPACH combined
BDO	\$10,400.00	\$10,400.00	\$10,400.00	\$10,920.00	\$10,920.00	\$53,040.00
MAC	\$8,000.00	\$8,250.00	\$8,500.00	\$9,000.00	\$9,500.00	\$43,250.00

<b>VPCHMP</b>	2016	2017	2018	2019	2020	Total
PYC	\$6,550.00	\$6,750.00	\$6,950.00	\$7,150.00	\$7,400.00	\$34,800.00
KPMG	\$7,490.00	\$7,490.00	\$8,525.00	\$8,525.00	\$8,560.00	\$40,590.00
Grant Thornton	\$7,000.00					\$7,000.00
BDO	\$8,320.00	\$8,320.00	\$8,320.00	\$8,580.00	\$8,580.00	\$42,120.00
MAC	\$7,500.00	\$8,000.00	\$8,200.00	\$8,500.00	\$9,000.00	\$41,200.00

<b>VPCHI &amp; Affordz</b>	2016	2017	2018	2019	2020	Total
PYC	\$29,900.00	\$30,825.00	\$31,725.00	\$32,675.00	\$33,675.00	\$158,800.00
KPMG	\$35,095.00	\$35,095.00	\$36,330.00	\$36,330.00	\$37,165.00	\$180,015.00
Grant Thornton	\$50,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50,000.00
BDO	\$31,200.00	\$31,200.00	\$31,200.00	\$32,240.00	\$32,240.00	\$158,080.00
MAC	\$44,000.00	\$45,750.00	\$47,500.00	\$50,000.00	\$52,000.00	\$239,250.00

<b>All</b>	2016	2017	2018	2019	2020	Total
PYC	\$36,450.00	\$37,575.00	\$38,675.00	\$39,825.00	\$41,075.00	\$193,600.00

KPMG	\$42,585.00	\$42,585.00	\$44,855.00	\$44,855.00	\$45,725.00	\$220,605.00
Grant Thornton	\$57,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$57,000.00
BDO	\$39,520.00	\$39,520.00	\$39,520.00	\$40,820.00	\$40,820.00	\$200,200.00
MAC	\$51,500.00	\$53,750.00	\$55,700.00	\$58,500.00	\$61,000.00	\$280,450.00

PYC	2016	2017	2018	2019	2020	Total
VPCHI	\$22,050.00	\$22,725.00	\$23,400.00	\$24,100.00	\$24,825.00	\$117,100.00
VPAHC	\$7,850.00	\$8,100.00	\$8,325.00	\$8,575.00	\$8,850.00	\$41,700.00
VPCHMP	\$6,550.00	\$6,750.00	\$6,950.00	\$7,150.00	\$7,400.00	\$34,800.00
<b>Total</b>	<b>\$36,450.00</b>	<b>\$37,575.00</b>	<b>\$38,675.00</b>	<b>\$39,825.00</b>	<b>\$41,075.00</b>	<b>\$193,600.00</b>

VPCHI	2016	2017	2018	2019	2020	Total
BDO	\$20,800.00	\$20,800.00	\$20,800.00	\$21,320.00	\$21,320.00	\$105,040.00
PYC	\$22,050.00	\$22,725.00	\$23,400.00	\$24,100.00	\$24,825.00	\$117,100.00
KPMG	\$26,000.00	\$26,000.00	\$26,700.00	\$26,700.00	\$27,500.00	\$132,900.00
MAC	\$36,000.00	\$37,500.00	\$39,000.00	\$41,000.00	\$42,500.00	\$196,000.00

VPAHC	2016	2017	2018	2019	2020	Total
PYC	\$7,850.00	\$8,100.00	\$8,325.00	\$8,575.00	\$8,850.00	\$41,700.00
MAC	\$8,000.00	\$8,250.00	\$8,500.00	\$9,000.00	\$9,500.00	\$43,250.00
KPMG	\$9,095.00	\$9,095.00	\$9,630.00	\$9,630.00	\$9,665.00	\$47,115.00
BDO	\$10,400.00	\$10,400.00	\$10,400.00	\$10,920.00	\$10,920.00	\$53,040.00

VPCHMP	2016	2017	2018	2019	2020	Total
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KPMG	\$7,490.00	\$7,490.00	\$8,525.00	\$8,525.00	\$8,560.00	\$40,590.00
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BDO	\$8,320.00	\$8,320.00	\$8,320.00	\$8,580.00	\$8,580.00	\$42,120.00

VPCHI & VPAHC	2016	2017	2018	2019	2020	Total
BDO	\$31,200.00	\$31,200.00	\$31,200.00	\$32,240.00	\$32,240.00	\$158,080.00
PYC	\$29,900.00	\$30,825.00	\$31,725.00	\$32,675.00	\$33,675.00	\$158,800.00
KPMG	\$35,095.00	\$35,095.00	\$36,330.00	\$36,330.00	\$37,165.00	\$180,015.00
MAC	\$44,000.00	\$45,750.00	\$47,500.00	\$50,000.00	\$52,000.00	\$239,250.00

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MAC	\$51,500.00	\$53,750.00	\$55,700.00	\$58,500.00	\$61,000.00	\$280,450.00