Yellowknife District No. 1 Education Authority

REQUEST FOR PROPOSALS

External Audit Services 2027–2029

Project Title:	External Audit Services 2027–2029
Program Department:	Corporate Services
Reference No:	PM27001
Proposal Call Date:	Friday, October 16, 2026
Proposal Submission Deadline:	Friday, October 30, 2026, 3:00 pm Yellowknife local time

Yellowknife District No. 1 Education Authority (YK1) is requesting Proposals from interested Proponents for the provision of services as outlined in this Request for Proposals (RFP).

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Part 1 – Notice of Request for Proposals

Yellowknife District No. 1 Education Authority (YK1) invites qualified public accounting firms to propose on the annual audit of its consolidated financial statements for the fiscal years ending June 30, 2027, 2028 and 2029.

Item	Detail
Project title	External Audit Services 2027–2029
Event ID	PM27001
Issued by	Yellowknife District No. 1 Education Authority, Corporate Services – Finance
Fiscal year-end	June 30
Term	Three years: audits of fiscal years ending June 30, 2027, June 30, 2028 and June 30, 2029. No extension options
Proposal call date	Friday, October 16, 2026, posted on the GNWT BIP site and the YK1 website until the closing date
Deadline for questions	Friday, October 23, 2026, 3:00 pm Yellowknife local time
Proposal Submission Deadline	Friday, October 30, 2026, 3:00 pm Yellowknife local time
Submit by	Email to yk1rfps@yk1.nt.ca, or by hand to the Proposal Submission Address in Part 5
Contact Person	Landon Kowalzik, Superintendent, Human Resources and Learning, 867-766-5050, landon.kowalzik@yk1.nt.ca

This is a Request for Proposals. YK1 is not bound to accept the lowest-priced proposal or any proposal. No contract exists until a written agreement is signed by both parties.

Proposals will be evaluated under the four-stage process in Part 6, which follows the Government of the Northwest Territories (GNWT) Procurement Guidelines, including Business Incentive Policy 63.02.

Part 2 – Background

YK1 is a public school authority serving the City of Yellowknife, with a June 30 fiscal year-end. It was established under the NWT Education Act and is governed by an elected Board of Trustees, which appoints the auditor and has sole accountability for the Authority's fiscal matters. YK1 is an independent legal and accounting entity; its financial statements are not consolidated into those of the City of Yellowknife, although the City collects and remits the education property taxes that YK1 requisitions.

What shapes the audit

- Revenue: the largest source is GNWT contributions under the school funding formula (enrolment-based, received in monthly instalments). The second largest is local education property tax. YK1 is one of only two NWT education bodies that levy this tax.
- Full-service employer: YK1 runs its own HR, IT, payroll and benefits administration, so payroll and benefits are a major audit area. Staffing is roughly 80% of the operating budget.
- Scale: an operating budget of $53.2 million for 2026–27; roughly 250 permanent staff; gross monthly payroll and benefits of about $3.7 million; and about 1,900 active general ledger accounts.
- Systems: Sylogist financial software (payroll, accounts payable, accounts receivable, cash receipting). Draft financial statements are compiled in Workiva.
- Reporting chain: the GNWT Department of Education, Culture and Employment (ECE) receives the audited statements, and GNWT Finance consolidates education authority results into the Public Accounts.

Proponents are encouraged to review the YK1 website, https://www.yk1.nt.ca/, before preparing a proposal.

Objective. YK1's Board of Trustees will appoint one audit firm to audit the annual financial statements for the fiscal years ending June 30, 2027, 2028 and 2029.

Part 3 – Terms of Reference

The Auditor will audit YK1's consolidated financial statements each year and deliver the reports below on the annual schedule. Pricing, methodology and staffing in each proposal should be based on this scope.

3.1 Standards and reporting requirements

- Financial statements are prepared by YK1 under Canadian public sector accounting standards (PSAB) published by CPA Canada. The audit is performed under Canadian Auditing Standards (CAS).
- The auditor's report follows CAS 700 and goes to the Minister of ECE under section 31(4) of the NWT Financial Administration Act (FAA).
- Under FAA section 32 and the GNWT planning and accountability framework, YK1's annual report must include its activities, audited financial statements, the auditor's report, and management's discussion and analysis (MD&A). It is due to the Minister within 90 days of year-end, by September 28.
- GNWT Financial Reporting may contact the Auditor, through YK1 first, for figures needed for Public Accounts consolidation before the statements are final.

3.2 Auditor responsibilities

- Audit the consolidated financial statements, including an evaluation of internal controls, payroll, revenue (GNWT contributions and property tax), and information systems. Audit the school generated funds held at YK1 schools, which are consolidated into YK1's financial statements, and deliver a separate report on them.

- Present the audit plan and findings to the Audit Committee and present the audited statements and auditor's report to the Board of Trustees.
- Raise any internal control weakness or other concern with the Audit Committee before the management letter is issued, then report reportable conditions in a post-audit report and management letter.
- Tell YK1 in writing about new or changed reporting requirements and auditing standards that affect the statements and notes.
- If a matter could lead to a qualified opinion, tell YK1 immediately and allow reasonable time for YK1 to investigate and correct it.
- Answer YK1 staff questions on accounting and audit issues during the year. Brief, specific questions are included in the audit fee; the Auditor will advise YK1 before any chargeable work begins.
- Before the first audit, communicate with the predecessor auditor as required by CAS and, with YK1's authorization, obtain access to relevant prior-year working papers.
- Follow the GNWT Instructions to Auditors issued each year.

3.3 What YK1 provides

- Draft financial statements compiled in Workiva, with a detailed trial balance and account mapping.
- Electronic working papers: lead schedules, summaries, adjusting entries, and support for amounts, notes and schedules.
- The GNWT Instructions to Auditors for each year.
- Finance staff to answer questions and supply source documents. YK1 and the Auditor jointly prepare and process confirmation letters.

3.4 Deliverables

Deliverable	Audience
Audit plan and schedule	Audit Committee
Interim audit findings and final audit plan	Audit Committee
Auditor's report on the consolidated financial statements	Board of Trustees; Minister of ECE
Separate report on school generated funds	Audit Committee; Board of Trustees
Communication with those charged with governance (audit findings report)	Audit Committee; Board of Trustees
Management letter on internal control and other matters	Board of Trustees
Written notice of new accounting and auditing standards	Secretary Treasurer

3.5 Annual audit schedule

Before October 31 each year the Auditor and YK1 staff agree the schedule for that year's audit; it is finalized by November 30. The standard timetable is below. The Board must approve the audited statements at its September meeting so that they reach ECE by the September 28 deadline (90 days after year-end).

Audit activity	Timing
Audit plan and schedule to Audit Committee	February
Interim audit site visit	March
Interim findings and final audit plan to Audit Committee	June
Final on-site audit visit	July
Draft audited statements to Audit Committee	Late August
Final auditor's report and presentation to Board of Trustees	Early September
Audit findings report and management letter	Early September

3.6 Term

The term covers the audits for fiscal years ending June 30, 2027, 2028 and 2029. There are no extension options. Each year's appointment remains subject to approval by the Board of Trustees.

Part 4 – Proposal Requirements

Proponents must answer in the order below and use the same headings, so that evaluators can find each item against the criteria in Part 6. Include a table of contents with page numbers. Submit the Fee Proposal (4.6) and the NWT and Local Content forms (4.7) as a separate file, so that the rated sections can be scored without knowledge of price.

4.1 Cover letter

A letter signed by a person authorized to bind the firm, stating the firm's understanding of the services. It must name each person authorized to make representations for the firm, with title and telephone number, and confirm that the proposal was prepared without collusion.

4.2 Team (rated)

- Firm profile (one to two pages): scope of practice, services offered, head office, and any local office that will manage or support the audit. Name the contact person with phone and email.
- Team structure: responsibilities, decision-making and the role of each member. Name the engagement partner and describe that person's experience leading at least two similar audits. YK1 expects the engagement partner to hold a CPA designation and to have 10 years of public sector audit experience.

- Names, roles and résumés for the partner(s), manager(s) and other key staff, and for named back-ups.
- Expected time commitment of key members, and the team size that will meet the schedule in 3.5.
- Permanent residence (city or town, province or territory) of each team member.

4.3 Audit approach and methodology (rated)

- Your understanding of YK1's structure, governance, funding sources and the systems it uses (Sylogist and Workiva).
- Audit approach: risk assessment, planning, substantive and compliance testing, internal control evaluation, and use of data analytics or IT audit work.
- How you will gain an understanding of YK1 in the first year, including the predecessor auditor transition.
- How you will keep YK1 informed of changes in accounting standards and legislation (including PSAB changes and GNWT requirements), and any PSAB advisory support you offer education authority clients.
- Estimated hours by staff level for each year.

4.4 Past relevant experience (rated)

- Current and past public sector audit clients, with the number of years you have been auditor for each. Education authorities, school boards and similar GNWT-funded bodies are of most interest.
- Similar engagements: client type, location, dates and your role. Describe your experience with PSAB standards and with Sylogist and Workiva.
- Three references, at least two of which are public sector or education audits completed in the last three years, with years of service and contact name, phone and email. References are not scored (see Part 6).

4.5 Project schedule (rated)

- A schedule for each audit year that fits the timetable in 3.5 and the September Board approval and ECE submission deadline.
- Your plan for the first-year transition, from appointment through the February audit plan.
- Your capacity to meet the schedule, including how back-up staff cover absences.
- Where on-site work is proposed, the number and timing of visits to Yellowknife.

4.6 Fee proposal (scored by formula)

Quote an all-inclusive fixed fee in Canadian dollars for each of the three years. Fees must be shown exclusive of GST, which YK1 will pay where it applies. Travel, accommodation, meals and all other disbursements must be included. YK1 will pay no additional disbursements. Show technology and administration fees, and the audit of school generated funds, as separate lines in the table below; both are included in the total fixed fee for the year.

Staff assigned	Hours	Hourly rate	Fee
Partners			
Managers			
Seniors			
Staff support			
Total hours and fees (consolidated audit)			
Audit of school generated funds			
Technology and administration fees (itemize)			
Other disbursements (identify)			
Total fixed fee for the year			

Complete this table for each year, then summarize:

Year	Fiscal year ending	Total fixed fee
Year 1	June 30, 2027	
Year 2	June 30, 2028	
Year 3	June 30, 2029	
Total, three years (evaluated fee)		

Also list hourly rates by staff level for additional services requested by YK1 (for example PSAB advice). These rates are not scored.

4.7 NWT and Local Content (Business Incentive Policy)

To earn credit under Business Incentive Policy 63.02, complete the Substantiation of BIP Adjustment forms for Services and Goods (Appendix B), showing the dollar value of local, NWT and non-BIP labour, goods and services for the proponent and each subcontractor. Use the legal business name as listed on the GNWT BIP Registry (www.bipregistry.nt.ca). "Local" means Yellowknife. The grand total on the forms must equal the total proposed fee. Credit for NWT and Local labour is allowed whether or not the

business is BIP-registered, based on the amounts entered. Incomplete forms receive reduced or no credit. YK1 may seek substantiation before award, and a proponent that does not respond within the time YK1 sets receives no BIP credit for the area in question. Proposal amendments may show only increases or decreases in Local, NWT or non-BIP content.

4.8 Subcontractors, joint ventures and conflict of interest

- Name each subcontractor, its address, the work it will perform and its share of the work. A joint venture proponent must include its joint venture agreement.
- Disclose any actual, potential or perceived conflict of interest or threat to independence, and how it will be managed.
- The proposal should confirm that the firm holds, or will hold before the engagement begins, the insurance and licences in 7.4.

Part 5 – Instructions to Proponents

Proposals must be received by 3:00 pm Yellowknife local time on Friday, October 30, 2026 (the Proposal Submission Deadline). Proposals received later are rejected and returned unopened.

5.1 Procurement timeline

Step	Date
RFP posted on the GNWT BIP site and the YK1 website	Friday, October 16, 2026
Deadline for written questions	Friday, October 23, 2026
Last date for addenda	Tuesday, October 27, 2026
Proposal Submission Deadline	Friday, October 30, 2026, 3:00 pm
Mandatory check, individual evaluation and consensus meeting	November 2–4, 2026
Board of Trustees appoints auditor	Tuesday, November 10, 2026
Contract signed	[Date to be confirmed, after Board approval]
First audit plan to Audit Committee (fiscal year ending June 30, 2027)	February 2027

5.2 How to submit

1. By email: send a PDF to yk1rfps@yk1.nt.ca, or
2. By hand: one paper copy and one electronic PDF copy on a flash drive, in a sealed envelope or package, marked with the proponent's name, Event ID PM27001, the project title and the Proposal Submission Deadline.

Hand deliveries go to:

- Secretary Treasurer, Yellowknife District No. 1 Education Authority, P.O. Box 788, 5402-50th Avenue, Yellowknife, NT X1A 2N6.

Canada Post does not deliver door to door in Yellowknife, and courier items are picked up and delivered one or more business days later. Proponents who mail or courier a proposal do so at their own risk. A proposal is received only when it is physically delivered and date-stamped, or when the email arrives, before the deadline. Collect-on-delivery shipments are refused. YK1 accepts no liability for a proposal that lacks the required identification, arrives late or goes to another address.

5.3 Amendments and withdrawal

A proponent may amend a proposal by email to the address above before the deadline, and may withdraw it at any time. After the deadline a proposal may be changed only through negotiations started by YK1. YK1 may accept a proposal with a defect that it judges not material.

5.4 Questions and addenda

- Questions must be in writing and sent to the Contact Person by 3:00 pm on Friday, October 23, 2026.
- YK1 answers in writing and shares answers with all known proponents. It is not required to answer every question.
- A proponent may mark a question "Commercial in Confidence". If YK1 decides the answer must go to all proponents, the proponent may withdraw the question within three business days instead of receiving an answer.
- Only written communication from the Contact Person may be relied on. Addenda issued before the deadline form part of this RFP, and a proponent confirms by submitting that it received all addenda.
- Proponents must not communicate with YK1 trustees, staff or evaluators about this RFP except through the Contact Person.

5.5 General conditions

- YK1 may cancel or reissue this RFP at any time without liability and is not liable for any cost of preparing or presenting a proposal.
- Proposals are not returned. All information given to YK1 is subject to the NWT Access to Information and Protection of Privacy Act. YK1 may publish the names of proponents who submit, but not their fees.
- This RFP requires no security deposit and no irrevocable offer. A proponent may withdraw at any time before a contract is signed.
- YK1 may negotiate price, scope or both with the highest-ranked proponent. If a contract cannot be agreed within the time YK1 sets, YK1 may negotiate with the next-ranked proponent or cancel the RFP.
- Proponents must not discuss or share their proposals with any other proponent. Submitting a proposal confirms it was prepared without collusion or fraud and in fair competition.
- YK1 may disqualify a proponent with an undisclosed conflict of interest.

Part 6 – Proposal Evaluation

An evaluation committee will score each proposal out of 1,000 points through four stages, and the highest total score is the proposal that offers YK1 the best value. The stages and the 0–10 rating scale follow the GNWT Procurement Guidelines and the GNWT Proposal Evaluation Instructions. YK1 alone decides the qualitative aspects of each proposal against these criteria.

6.1 Proposal rating schedule

Each criterion is rated from 0 to 10, and the rating is multiplied by the criterion's weight to give its points.

Item	Criterion	Stage	Weight	Maximum points	Response section
1	Team	2	15	150	4.2
2	Methodology / approach	2	15	150	4.3
3	Proponent's past relevant experience	2	20	200	4.4
4	Project schedule	2	15	150	4.5
5	Fees and expenses	3	15	150	4.6
6	Business Incentive Policy – NWT content	4	15	150	4.7
7	Business Incentive Policy – Local content	4	5	50	4.7
	Total		100	1,000	

6.2 The four stages

1. Stage 1 – Mandatory requirements (pass or fail).
2. Stage 2 – Rated requirements (items 1–4, scored by the committee).
3. Stage 3 – Fees and expenses (item 5, scored by formula).
4. Stage 4 – Business Incentive Policy (items 6 and 7, scored by formula).

6.3 Stage 1 – Mandatory requirements

A proposal that does not meet every requirement below is disqualified and receives no further consideration.

- Received before the Proposal Submission Deadline.
- Clearly states the total proposed fees and expenses.
- States all prices in actual dollars and cents, in Canadian funds.
- Proponent is licensed to practise public accounting in the Northwest Territories, or will be before the first audit plan is delivered.

6.4 Stage 2 – Rated requirements

The committee scores items 1–4 using the scale below and the content of the proposal only. Evaluators do not use knowledge of a proponent from outside the proposal.

Rating	Description
9–10 Excellent	Fully demonstrates that the requirements are met in a documented and suitable manner. No apparent weaknesses.
7–8 Good	Reasonably demonstrates that the requirements are met. Comprehensive, with minor weaknesses that should not significantly affect the work.
4–6 Fair	Barely meets the requirements. Has substance, but weaknesses could cause tolerable or reasonably correctable shortcomings.
1–3 Poor	Fails to meet the requirements in a suitable and documented manner. Some merit, but significant weaknesses could cause unacceptable shortcomings.
0 Deficient	Fails to meet the requirements. Little merit, and fails to show the work would be performed acceptably.

Minimum score. A proposal must receive a consensus rating of at least 5 out of 10 on each of items 1–4. A proposal that falls below 5 on any of them receives no further consideration, and its fee and BIP scores are not calculated.

References. References are used only to confirm a selection and are not scored. YK1 will contact only references named in the proposal, and will ask each the same recorded questions tied to the criteria.

6.5 Stage 3 – Fees and expenses

The evaluated fee is the total fixed fee for the three years. YK1 uses the lowest cost ratio method: the lowest evaluated fee receives 10, and every other proposal receives a share of 10 in proportion to its fee.

(Lowest evaluated fee ÷ Evaluated fee being scored) × 10 = Fee rating

For example, if the lowest three-year fee is $180,000 and another proposal is $216,000, the second rating is (180,000 ÷ 216,000) × 10 = 8.33. The rating is multiplied by the weight of 15. Fees are scored as proposed, with no adjustment for the Business Incentive Policy.

6.6 Stage 4 – Business Incentive Policy

Under GNWT Business Incentive Policy 63.02 and Interpretive Bulletin No. 7, 20% of the total weight is reserved for northern content: 15% for NWT content and 5% for Local content, where "Local" means Yellowknife. Points are prorated by the dollar value of NWT and Local labour, goods and services in relation to the total proposed fee, as shown on the forms in Appendix B.

- (Local content + NWT content) ÷ Total proposed fee × 10 = NWT rating
- Local content ÷ Total proposed fee × 10 = Local rating

Because Yellowknife businesses are also NWT businesses, the NWT rating counts both the Local and NWT amounts entered on the forms. The NWT and Local ratings are multiplied by weights of 15 and 5. Proponents receive no credit for content that is not substantiated on the forms.

6.7 Total score, ranking and award

Total score is the sum of the extended scores for items 1–7, out of 1,000. Proposals are ranked by total score. If two proposals tie, the one with the higher Stage 2 total ranks first. The committee recommends the highest-ranked proponent to the Board of Trustees, and YK1 may then negotiate scope, price and contract terms with that proponent before the contract is signed.

6.8 Debriefing

On request after the contract is signed, YK1 offers each unsuccessful proponent a debriefing. It covers the proponent's own score and comments, its ranking, the winner's name, and the names and total scores of the other proponents. It does not release other proponents' rates, details of the winner's team, or details of contract negotiations. Debriefings are held one proponent at a time, with at most five attendees from the proponent and a two-hour limit. A debriefing is not an appeal and is not a chance to add information or request a second evaluation.

Part 7 – Contract Terms and Conditions

The successful proponent will sign a services agreement substantially in the form of the pro-forma contract in Appendix C. Proponents should review it before preparing a proposal, because the executed contract prevails over this RFP and the proposal if they conflict.

7.1 Key terms

Topic	Term
Term	Three years: fiscal years ending June 30, 2027, 2028 and 2029. No extension options
Fees	Fixed, all-inclusive annual fees as proposed; no additional disbursements
Payment	Itemized invoices paid within 30 calendar days of receipt or delivery of services, whichever is later; 20 calendar days for Northern contractors as defined in Business Incentive Policy 63.02
Taxes	Fees are stated exclusive of GST, which YK1 pays where it applies
Set-off and holdback	YK1 may set off or hold back amounts under section 57 of the NWT Financial Administration Act and the contract
Subcontracting	Not permitted without YK1's written consent; the Contractor remains responsible for subcontractors
Termination	YK1 may terminate for inability or failure to perform, insolvency or material default
Governing law	Laws of the Northwest Territories and the federal laws of Canada that apply there
Records	Contractor keeps accounts and records for the period set in the contract and produces them on request

7.2 Conflict of interest and independence

The Contractor must not act for anyone in circumstances that, in YK1's reasonable opinion, would conflict with its duties to YK1, and must declare any pecuniary interest in a third party that could create a conflict. YK1 may terminate if a conflict is not remedied to its satisfaction. Nothing in the contract limits the Auditor's independence or its professional obligations under CAS and the CPA Code of Professional Conduct.

7.3 Confidentiality and privacy

All information about YK1's affairs is confidential during and after the contract and may not be released without YK1's written approval. YK1 is subject to the NWT Access to Information and Protection of Privacy Act, which gives any person a right of access to records in its custody or control, subject to limited exemptions.

7.4 Insurance and licences

The Auditor must, at its own expense, maintain the coverage below for the term of the engagement. Insurers must be licensed in Canada. A certificate of insurance must be provided before commencement and on each renewal, with thirty days' written notice of cancellation or material change.

Requirement	Minimum
Commercial general liability	Not less than $2,000,000 per occurrence, including contractual liability and cross-liability, naming YK1 as additional insured
Professional liability (errors and omissions)	Not less than $1,000,000 per claim and $2,000,000 in the annual aggregate
Automobile liability	Required where vehicles are used in performing the Services
Workers' compensation	WSCC coverage in good standing
Business licence	Valid City of Yellowknife business licence

7.5 Local and northern content

YK1 wants northern labour, goods and services used to the fullest extent practical. The Business Incentive Policy applies to this RFP, as scored in Part 6. Information on the policy is available from the GNWT Department of Industry, Tourism and Investment.

Appendices

Appendix A – Proposal checklist

- ☐ Cover letter signed by an authorized person (4.1)
- ☐ Table of contents with page numbers
- ☐ Team (4.2), with résumés and team members' residence
- ☐ Audit approach and methodology (4.3)
- ☐ Past relevant experience and three references (4.4)
- ☐ Project schedule (4.5)
- ☐ Subcontractor, joint venture and conflict of interest disclosures (4.8)
- ☐ Fee Proposal, all three years, in a separate file (4.6)
- ☐ NWT and Local Content forms, in the same separate file (4.7, Appendix B)
- ☐ Submitted before 3:00 pm on the Proposal Submission Deadline

Appendix B – Substantiation of BIP Adjustment: NWT and Local Content (Services)

Proponent: _____ Ref. No.: PM27001. Enter dollar values in Canadian funds. Labour must be broken out from other costs. Use the legal business name as listed on the GNWT BIP Registry. Complete one block for the proponent and one for each subcontractor, and add rows as needed. Complete the same layout for any Goods, listing commodity type instead of labour. The grand total must equal the total proposed fee.

Business name	Content type	Local ($)	NWT, excluding Local ($)	Non-BIP ($)	Subtotal ($)
Proponent's own workforce	Labour				
	Other costs				
Subcontractor 1	Labour				
	Other costs				
Subcontractor 2	Labour				
	Other costs				
Total (services)					

Appendix C – Pro-forma services agreement

External Audit Services 2027-2029

Yellowknife District No. 1 Education Authority

Effective Date: ___ day of _____, 20__

BETWEEN:

YELLOWKNIFE DISTRICT NO. 1 EDUCATION AUTHORITY ("YK1")

and

[LEGAL NAME OF AUDIT FIRM] (the "Auditor")

YK1 and the Auditor are collectively the "Parties" and individually a "Party."

1. Services

The Auditor shall audit YK1's consolidated financial statements for the fiscal years ending June 30, 2027, June 30, 2028 and June 30, 2029 and provide the reports, presentations and communications described in the Terms of Reference attached as Appendix 1.

The Services shall be performed in accordance with Canadian Auditing Standards and applicable professional and legal requirements.

YK1 may request reasonable changes to the Services. The Auditor shall advise YK1 of any resulting effect on fees, timing or deliverables before performing the changed Services. No material change to the scope, fees or schedule is effective unless agreed to in writing by both Parties.

2. Independence and Professional Judgment

The Auditor shall remain independent of YK1 in accordance with Canadian Auditing Standards and applicable professional requirements and shall promptly advise YK1's Audit Committee of any matter that may create a threat to the Auditor's independence.

Nothing in this Agreement limits the Auditor's professional judgment, professional obligations or independence, or requires the Auditor to express an opinion or reach a conclusion of any particular kind.

3. Term and Annual Appointment

This Agreement takes effect on the Effective Date and continues until the Auditor has completed the Services for the fiscal year ending June 30, 2029, unless terminated earlier in accordance with this Agreement.

The Agreement does not include a right of renewal or extension.

The Auditor acknowledges that its appointment for each fiscal year remains subject to appointment by YK1's Board of Trustees as required by applicable legislation.

4. Fees and Additional Services

The fixed, all-inclusive fees are:

- Fiscal year ending June 30, 2027: $_____
- Fiscal year ending June 30, 2028: $_____
- Fiscal year ending June 30, 2029: $_____

The fees include travel, accommodation, technology and administration charges and all other costs and disbursements identified in the Fee Proposal attached as Appendix 2.

The Auditor shall not charge any additional fee, surcharge or disbursement unless YK1 has approved the additional work and related fee in writing before the work is performed.

Services outside the agreed audit scope require YK1's prior written approval and shall be charged at the applicable rates set out in Appendix 2 or at another amount agreed in writing.

5. Invoicing and Payment

The Auditor shall submit itemized invoices according to the payment schedule in Appendix 2 to payables@yk1.nt.ca. Each invoice shall quote reference number PM27001.

YK1 shall pay properly rendered invoices within thirty (30) calendar days after receipt of the invoice or performance of the applicable Services, whichever occurs later, or within twenty (20) calendar days where applicable to a Northern contractor under Business Incentive Policy 63.02.

Fees are exclusive of applicable GST.

If YK1 disputes an invoice, it shall notify the Auditor of the disputed amount and the reason for the dispute. YK1 shall pay any undisputed portion in accordance with this clause. The Parties shall make reasonable efforts to resolve the disputed amount promptly.

The Auditor shall not suspend materially required audit Services solely because of a disputed invoice except after reasonable written notice and compliance with the dispute resolution provisions of this Agreement.

6. Set-Off and Holdback

Where the Auditor is in material breach of this Agreement, YK1 may, after written notice describing the breach, withhold amounts reasonably related to that breach until the breach is remedied.

YK1 may exercise any lawful right of set-off available to it.

YK1 shall not withhold an undisputed payment solely because another amount is in dispute.

7. Insurance and WSCC

Throughout the term of this Agreement, the Auditor shall maintain, at its own expense:

- Commercial General Liability insurance of not less than $2,000,000 per occurrence, including contractual liability and cross-liability, with YK1 named as an additional insured in respect of the Auditor's operations;
- Professional Liability (Errors and Omissions) insurance of not less than $1,000,000 per claim and $2,000,000 in the annual aggregate;
- workers compensation coverage and good standing with WSCC where required; and
- automobile liability insurance of $2,000,000 where automobiles are used in the performance of the Services.

Required insurers shall be authorized to provide the applicable insurance in Canada. The Auditor shall provide evidence of required coverage before commencing Services and on reasonable request by YK1.

8. Liability and Indemnification

The Auditor shall indemnify and hold harmless YK1, its Board of Trustees, Trustees, officers and employees from and against claims, losses, damages, liabilities, costs and reasonable legal expenses to the extent arising from the Auditor's negligent acts or omissions, wilful misconduct or material breach of this Agreement, including those of its permitted subcontractors.

YK1 shall indemnify and hold harmless the Auditor and its partners and employees from and against third-party claims, losses, damages, liabilities, costs and reasonable legal expenses to the extent arising from YK1's negligent acts or omissions, wilful misconduct or material breach of this Agreement.

Neither Party is required to indemnify the other to the extent a loss was caused by the negligence, wilful misconduct or breach of the Party seeking indemnification.

The Party seeking indemnification shall give the other Party prompt written notice of a claim for which indemnification is sought and shall provide reasonable cooperation in its defence.

No settlement that requires an admission of liability by imposes a continuing obligation upon, or requires payment by the indemnified Party may be entered into without that Party's prior written consent, which shall not be unreasonably withheld.

Except where expressly agreed by YK1 in a written amendment signed by both Parties, no limitation or exclusion of the Auditor's liability contained in its proposal, engagement letter, standard terms or other document applies to this Agreement.

9. Auditor's Engagement Letter

The Parties acknowledge that the Auditor may be required by professional standards to issue an engagement letter.

This Agreement prevails over any inconsistent provision of the Auditor's engagement letter, proposal, standard terms of business or other document.

An engagement letter may supplement this Agreement in matters required by professional standards but shall not amend, limit or override this Agreement unless the change is expressly identified and agreed to in writing by both Parties.

10. Subcontracting and Assignment

The Auditor shall not subcontract a material portion of the Services without YK1's prior written consent, which shall not be unreasonably withheld.

The Auditor remains responsible for Services performed by any permitted subcontractor.

Neither Party may assign this Agreement without the other Party's prior written consent, except to a lawful successor, and such consent shall not be unreasonably withheld.

11. Conflict of Interest

The Auditor shall disclose promptly any actual, potential or perceived conflict of interest or threat to independence that arises during the Agreement.

The Parties shall work reasonably and in good faith to determine whether an identified conflict can be appropriately managed.

Nothing in this Agreement shall require the Auditor to act inconsistently with Canadian Auditing Standards or applicable professional requirements.

If a material conflict cannot reasonably be managed or remedied, either Party may terminate the affected engagement on written notice.

12. Confidentiality, Privacy and Security

The Auditor shall keep confidential information obtained from YK1 confidential and shall use it only for the purpose of performing the Services, except where disclosure is authorized by YK1, required by law or professional standards, or reasonably required for professional quality management, regulatory inspection or legal obligations.

The Auditor shall protect personal information in accordance with applicable Northwest Territories privacy legislation and shall promptly notify YK1 of any actual or reasonably suspected unauthorized access, use or disclosure of YK1 personal information.

YK1 information shall not be stored or processed outside Canada without YK1's prior written consent, subject to any specific exceptions expressly agreed in writing by the Parties.

The confidentiality obligations survive termination of this Agreement.

13. Reports, Working Papers and Records

Final reports and other deliverables specifically prepared for YK1 under this Agreement may be used by YK1 for its governance, accountability and statutory reporting purposes, including providing them to its Board of Trustees, Audit Committee, the Department of Education, Culture and Employment and GNWT

Finance, and publishing the audited financial statements and associated Auditor's report as permitted by law and professional standards.

The Auditor retains ownership and custody of its audit working papers and proprietary audit methodologies.

The Auditor shall retain its working papers for the period required by applicable professional standards and law.

Subject to applicable professional standards, confidentiality requirements and any required authorizations, the Auditor shall reasonably cooperate with YK1 and a successor auditor concerning access to information appropriate for a transition between auditors.

14. Dispute Resolution

The Parties shall first attempt in good faith to resolve a dispute through discussions between senior representatives.

If the dispute cannot be resolved, either Party may request mediation in Yellowknife, Northwest Territories, on terms agreed between the Parties.

Nothing in this clause prevents either Party from seeking urgent interlocutory or injunctive relief or commencing a proceeding where necessary to preserve a legal right or limitation period.

15. Termination

YK1 may terminate this Agreement for material breach where the Auditor fails to remedy the breach within a reasonable period specified in written notice, where the breach is capable of remedy.

YK1 may terminate immediately where the Auditor becomes insolvent, loses a licence required to perform the Services, ceases to satisfy applicable independence requirements, or commits a material breach that cannot reasonably be remedied.

YK1 may also terminate this Agreement for convenience on sixty (60) days written notice.

The Auditor may terminate the Agreement where continued performance would contravene law, applicable professional standards or independence requirements, or where YK1 materially breaches this Agreement and fails to remedy the breach within a reasonable period following written notice.

Upon termination, YK1 shall pay the Auditor for Services properly performed to the effective date of termination and for reasonable, unavoidable costs directly resulting from termination where YK1 terminates for convenience but not lost profits on unperformed Services.

The Auditor shall provide reasonable transition assistance to YK1 and any successor auditor, subject to professional requirements.

16. Compliance and Licences

The Auditor shall comply with applicable laws and professional requirements and maintain all licences and registrations legally required to perform the Services.

17. Notices

Notices under this Agreement shall be in writing and delivered by email, courier or registered mail to the addresses specified below or to another address designated by written notice.

A notice delivered by email is deemed received on the date sent provided no delivery failure notification is received and, if sent outside normal business hours, on the next business day.

18. General

This Agreement is governed by the laws of the Northwest Territories and applicable federal laws of Canada.

The Auditor is an independent contractor and nothing in this Agreement creates an employment, partnership, agency or joint venture relationship.

The following order of precedence applies in the event of inconsistency:

1. amendments executed by both Parties;
2. the main body of this Agreement;
3. Appendix 1, Terms of Reference;
4. Appendix 2, Fee Proposal; and
5. Appendix 3, Auditor's Proposal.

This Agreement and its appendices constitute the entire agreement between the Parties concerning the Services.

An amendment is effective only if made in writing and signed by authorized representatives of both Parties.

If any provision is invalid or unenforceable, the remaining provisions continue in effect.

A waiver is effective only in writing and applies only to the matter expressly waived.

Provisions which by their nature are intended to survive termination shall survive.

Each Party acknowledges that it has had the opportunity to obtain independent legal advice concerning this Agreement. No rule of contractual interpretation shall apply against either Party solely because that Party drafted or proposed a provision.

The Agreement may be executed electronically and in counterparts.

Appendices

- Appendix 1 - Terms of Reference
- Appendix 2 - Fee Proposal
- Appendix 3 - Auditor's Proposal

Signatures

AUDITOR	YELLOWKNIFE DISTRICT NO. 1 EDUCATION AUTHORITY
Name and title:	Name and title:
Signature:	Signature:
Date:	Date:
Notice address:	Notice address:
Attention:	Attention:
Email:	Email:
Phone:	Phone: