



2024 October 18

Record Number: CM-1370462444-12445

**Re: Notice of Intended Procurement for Internal Audit Services**

To whom it may concern,

Atomic Energy of Canada Limited (**AECL**) is issuing this Notice of Intended Procurement to inform potential service providers (**Proponents**) of an upcoming opportunity to bid on the provision of internal audit services. This procurement is subject to the provisions of the Comprehensive Economic and Trade Agreement (**CETA**). A Summary Notice has been published in accordance with CETA requirements.

**Summary of the Scope of Services:**

AECL is seeking a qualified service provider to deliver comprehensive internal audit services, which include:

**1. Chief Audit Executive (CAE) Services:**

- Acting as the CAE for AECL, providing direction and oversight for planning, conducting, and reporting on internal audits.
- Engaging with AECL's management and Audit Committee to communicate audit findings and recommendations.

**2. Development of a Risk-Based Audit Plan (RBAP):**

- Creating and annually updating a rolling three-year RBAP that aligns with AECL's governance, risk management, and control objectives.
- Ensuring the audit plan considers risks managed by AECL's operating partner, Canadian Nuclear Laboratories (**CNL**).

**3. Execution of Audit Engagements:**

- Conducting approximately 5-7 audit engagements per year, focusing on strategic, operational,

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regulatory, and other relevant risks.

- Executing audits in accordance with the Institute of Internal Auditors (IIA) International Professional Practices Framework.

#### 4. **Coordination with CNL:**

- Collaborating with CNL's internal audit function to ensure alignment and avoid duplication of efforts.
- Sharing insights to enhance overall risk management processes.

### **Procurement Process**

1. **Supplier Confidentiality Agreement (SCA):** Proponents must agree, in full and without modification, to AECL's Supplier Confidentiality Agreement (**SCA**) to gain access to the RFP and the detailed scope of work. The SCA will apply throughout the RFP process and, if the Proponent is successful, will continue to govern the confidentiality of the scope of work under the resulting contract. The SCA will be made available via the MERX bidding platform at the time of the RFP release.
2. **RFP Release** – Any RFP issued by AECL, as well as any additions, changes or revisions to the RFP will be issued through the MERX only bidding platform. Mandatory requirements and evaluation criteria will be provided as part of the RFP documentation.
  - a. Access to Documents:
    - i. Platform: MERX Bidding Platform
    - ii. Website: [www.merx.com](http://www.merx.com)
    - iii. Instructions: Proponents must register on MERX to access the RFP documents.
3. **Questions & Answers and Bid Submissions** – Proponents to the RFP will submit questions,

requests for clarifications, and bid responses to AECL using MERX and in accordance with the timelines specified in the RFP.

4. **Proposal Submission Deadline** – November 29, 2024, at 1:00pm Eastern Time
5. **Evaluation of Proposals and Shortlisting** – AECL will evaluate proposals using mandatory requirements and scored evaluation criteria, following a best-value methodology that applies criteria in order of importance. The evaluation will consider Technical, Commercial (**Pricing**), and Environmental, Social, and Governance (**ESG**) factors. Based on the combined scores, AECL will shortlist Proponents who will be invited to participate in the interview phase.
6. **Interviews with Shortlisted Proponents** – AECL will invite the shortlisted Proponents to present their proposals and participate in an interview, which will include a scenario-based exercise. This will allow Proponents to showcase their team's approach, demonstrate their understanding of the requirements, and respond to questions from AECL.
7. **Commercial Proposal Evaluation** – AECL will evaluate the commercial (pricing) proposal from each down-selected Proponent and invite the highest-scoring Proponent for the agreement negotiation phase.
8. **Final Evaluation:** After the interviews, AECL will conduct a final evaluation of the Technical, Commercial and ESG aspects, incorporating insights from the interviews. The highest-scoring Proponent based on the combined evaluations will be identified.
9. **Negotiation with Highest-Scoring Proponent** – AECL will enter into negotiations with the highest-scoring Proponent. If an agreement is reached, the contract will be awarded to that Proponent. If an agreement is not reached, negotiations will be terminated, and the next highest-scoring Proponent will be invited for negotiation.
10. **Contract Award** – AECL intends to award the contract in December 2024 or January 2025.
11. **Intended Contract Term** - 5 years initial term, plus with the option of a single extension of 5 years (at AECL's sole discretion).

12. **Language:** Proposals must be submitted in either of Canada’s official languages, English, or French; however, the services outlined in the scope will primarily be provided in English.
13. **Procurement Timeline:** All dates are currently indicative and may be subject to change at AECL’s sole discretion.

Proponents must meet certain mandatory conditions and provide specific certifications and documents to participate in this procurement process. Please refer to Appendix A of this Notice for detailed information on the Conditions for Participation and Required Documents.

Yours truly,

2024-10-18

**X** A. O'Haire

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Amanda O'Haire  
Manager, Procurement & Contract Oversight  
Signed by: Amanda O'Haire

Amanda O’Haire

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**Enclosure:**

Appendix A – Conditions for Participation and Required Documents

## Appendix A – Conditions for Participation and Required Documents

Proponents must meet the following mandatory conditions and provide the required certifications and documents as part of their proposal submission to participate in this procurement process:

**1. AECL Supplier Confidentiality Agreement (SCA):**

- a. Proponents will be required to agree to and sign the SCA without modifications in order to gain access to the RFP and the detailed scope of work when it becomes available.

**2. Legal and Regulatory Compliance:**

- a. Compliance with Laws and Regulations:
  - i. Proponents must confirm their adherence to all applicable procurement laws and regulations when submitting their proposal under the forthcoming RFP.

**3. Conflict of Interest Declaration:**

- a. Proponents must disclose any potential, actual, or perceived conflicts of interest as part of their RFP submission and provide a signed statement attesting to this.

**4. Certification of Criminal and Foreign Offenses:**

- a. Proponents must certify that neither they nor their subcontractors, including their directors or officers, have been convicted of or charged with any criminal offense (including conditional or absolute discharges) in the past 10 years, or any foreign offenses.

**5. Certification of National Security Requirements:**

- a. Proponents will be required to certify that they meet the National Security Requirements as outlined in the forthcoming RFP. This includes being legally organized and having a place of business in Canada or in a country that has a government-to-government agreement with Canada for the exchange of classified information, as well as a nuclear cooperation agreement.

**6. Mandatory Certificates and Documentation:**

- a. Workers' Compensation Clearance Certificate:
  - i. Proponents will need to submit a current workers' compensation clearance certificate or international equivalent (if applicable by law) when submitting their RFP response.
- b. Certificates of Insurance:
  - i. Proponents must submit certificates of insurance as part of their RFP response, demonstrating compliance with the insurance requirements outlined in AECL's Standard Terms and Conditions.

**7. Assurance of Professional Standards:**

- a. Institute of Internal Auditors (IIA) Compliance:
  - i. Proponents must certify in their RFP submission that all engagements will comply with the International Institute of Internal Auditors (IIA) International Professional Practices Framework and Standards.

**8. Key Personnel Qualifications:**

- a. Chief Audit Executive (CAE):
  - i. The Chief Audit Executive must hold a Certified Internal Auditor (CIA) designation and be a member in good standing.
  - ii. The CAE will be responsible for supervising all work or ensuring that a CIA in good standing supervises the work, as outlined in the upcoming RFP.
- b. Project Manager/Audit Leader and Senior Auditor:
  - i. Proponents will be expected to submit personnel with one or more of the following designations:

1. Certified Internal Auditor (CIA)
2. Certified Public Accountant (CPA)
3. Certified Government Auditing Professional (CGAP)

**9. Resumes and Commitment Statements:**

- a. Proponents will need to submit standard resumes for all proposed key personnel, clearly outlining relevant experience, qualifications, and roles in previous projects in their RFP response.
- b. Proponents will be required to indicate the current security clearance level of each team member, if applicable, at the time of the RFP submission.
- c. A statement of commitment ensuring key personnel remain in their roles throughout the procurement process without replacement will be required in the RFP submission.

**10. Subconsultants/Subcontractors Disclosure:**

- a. Identification and Acceptance:
  - i. Proponents will be required to provide the names and roles of any subconsultants, or subcontractors intended for use during the RFP process.
  - ii. Responsibilities of each subconsultant or subcontractor will need to be specified.
  - iii. Confirmation that all subconsultants and subcontractors have officially accepted the relevant requirements and terms of the RFP and draft contract will be required.

**11. Organizational Experience:**

- a. Relevant Experience:
  - i. Proponents will need to provide evidence of delivering at least three (3) and up to five

(5) services of comparable size, scope, value, and complexity within the past five (5) to seven (7) years in their RFP submission.

- ii. Experience for both the organization and proposed key personnel must be included in the RFP.

**12. Past Performance References:**

a. References Submission:

- i. Proponents will need to provide names, contact information, and a brief description of the work performed for at least three (3) previous clients who can serve as references when submitting their proposal.
- ii. References must be able to attest to the relevance and quality of work similar to the upcoming RFP scope.
- iii. Proponents will receive a Performance Questionnaire as part of the RFP, which they must forward to their references for completion. The completed questionnaires will be sent directly to AECL.

**13. Financial Capacity:**

a. Submission of Financial Statements:

- i. Proponents will need to submit financial statements for the three (3) most recently completed fiscal years when responding to the RFP.

b. Letter from CFO or Equivalent:

- i. A letter signed by the CFO or equivalent officer must confirm there have been no material adverse changes in the Proponent's financial position since the last financial statement.



c. Management Discussion and Analysis (MD&A):

- i. Public companies must submit the MD&A from their most recent annual report.
- ii. Private companies must provide a comprehensive overview of their core business activities, key management strategies, and a 3-year financial forecast.

d. Affiliate Guarantees or Security (If Applicable):

- i. Proponents may offer affiliate guarantees or other forms of security to substantiate their financial capacity to perform the services or deliver the required goods as part of their RFP submission.

**14. Technical Evaluation:**

a. Project Approach:

- i. Proponents will need to provide a detailed approach for managing the project, including how they will meet the Scope of Work objectives, as part of their RFP submission.

b. Quality Assurance Methodology:

- i. Proponents must demonstrate a quality assurance program following the Institute of Internal Auditors (IIA) International Professional Practices Framework.

**15. Commercial Evaluation:**

a. Pricing Submission:

- i. Proponents will be required to submit a clear and comprehensive financial proposal, including fixed prices for deliverables and detailed hourly rates for roles as part of their RFP response.
- ii. Proponents must complete a Pricing Workbook which incorporates the following

elements:

1. Fixed Prices: - Proponents must provide fixed prices for key deliverables such as Chief Audit Executive (CAE) services and Risk-Based Audit Plan (RBAP) development, as outlined in the forthcoming RFP.
    - a. Proponents will also need to include a budgetary level of effort estimate for each role involved in these deliverables, explaining the logic and methodology behind their estimates.
  2. Hourly Rates: - Proponents must include hourly rates for each role required to support the Scope of Work (SOW).
  3. Pricing Assumptions:
    - a. Proponents will be expected to clearly list any assumptions made in preparing their pricing proposal in the designated area of the Pricing Workbook. Additionally, they must specify any proposed exceptions to the Draft Contract and AECL's Standard Terms and Conditions, both of which are provided as part of the RFP.
  4. Currency of Proposal Submission:
    - a. Proponents must submit all pricing in Canadian Dollars (CAD), excluding all applicable taxes, as part of their response to the forthcoming RFP.
- b. Important Notes for Commercial Evaluation:
- i. Level of effort estimates are for evaluation purposes only and will help AECL assess the reasonableness of the proposed resource allocation and project management.
  - ii. Proponents will be required to provide sufficient detail in their pricing proposal to

allow AECL to assess the logic and feasibility of their proposed level of effort and associated costs.

**16. Environmental, Social, and Governance (ESG) Commitment:**

a. ESG Questionnaire:

i. Proponents will be required to complete and submit the ESG Questionnaire as part of their RFP submission.

ii. ESG Initiatives Summary:

1. Proponents will need to provide a 1–2-page summary outlining their organization's ESG initiatives, demonstrating commitment to sustainability and promoting environmental, social, and green procurement practices.

**17. Oral Presentation (If required):**

a. Scenario Simulation Exercise:

i. Proponents may be required to participate in an oral presentation and scenario simulation exercise during the evaluation of their proposal.

**18. Signed Proposal:**

a. Proponents will be required to submit a signed proposal acknowledging their acceptance of all terms outlined in the forthcoming RFP, including AECL's Terms and Conditions.

i. Any exceptions or proposed changes to the standard terms and conditions must be clearly documented in a redlined version.

Note: Failure to meet any of the above conditions or to provide the required documents may result in disqualification from the procurement process.