Message

From: Susan Nicholson [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=F668E601BD2B4865A5C31DCA531047C8-SUSAN NICHO]
Sent: 2017-11-13 3:00:10 PM
To: Megan Filey [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=ea0b4cc1f5114f958e355198bb05e970-Megan Filey]
Subject: FW: KPMG - PO Single Source Justification

From: Susan Nicholson
Sent: November 13, 2017 2:59 PM
To: Peter Gregg
Cc: Dianne Hayes; Kim Marshall; Susan Nicholson
Subject: KPMG - PO Single Source Justification

Peter – at your convenience I would like to discuss with you the need to increase to the KPMG purchase order by $540,000, for a total purchase order worth $1.72 million. This amount will now exceed the original total procurement value due to the unforeseen additional costs related to the Public Sector Accounting review and the implementation of the Fair Hydro Plan.

Historically KPMG was competitively procured by both the f-IESO and f-OPA to act as its external auditor and has a contract in place to continue those services until December 31 2019, at which time a competitive procurement will be issued.
Included in KPMG's services are:

- Corporate Financial Statement Audits
- Ad-Hoc Taxation/Education Services
- Ad-hoc expertise, handbook changes, large/organizational tax changes and other general audit advice and consultation services and
- Pension Plan Financial Statement Audits (managed through separate accounting outside of this PO)

KPMG has an ongoing contract in place for the provision of the above services until 2019. These services are within the terms and scope of that original competitive agreement.

The additional services for accounting advisory were required in relation to the application of Public Sector Accounting Standards (PSAS) to the consolidation of a trust and to the recognition and de-recognition of a variance account in relation to the Ontario Fair Hydro Plan Act, 2017. Advice was necessary for complex technical accounting issues as well as guidance on the inter-related implications of various accounting changes to the IESOs process, systems, people and other related business relationships and operations.

Please let me know when it is convenient to discuss. We currently have two invoices for KPMG which are outstanding.

Regards, Susan