**Malteser International Europe · Grüner Weg 12-14, 50825 Cologne, Germany**

**Country Coordination Office**

**Plot No: 445 Kololo Road 3k South**

**Tong Ping, Juba Town**

**South Sudan**

**Juba, 18 June 2019**

**INVITATION TO BID**

**MI/ITB/MAR/2019/0019**

**For a final financial audit of the Malteser International (MI) resources managed by Rural Action against Hunger (RAAH**) in Maridi

1. Annex 1: Terms of References for Financial Audit
2. Annex 2: Bill of Quantity

The whole Specification for bidding dossier (digital version) can be down loaded here on the South Sudan NGO Forum’s website.

We look forward to receiving your bids by or before the **submission deadline on 1 July 2019 at before 4:00 PM** at the addresses specified in the documents.

Thank you for your cooperation.

Sincerely Yours,

|  |  |  |
| --- | --- | --- |
| [Logo Malteser International](http://www.malteser-international.org/) |  | **South Sudan Coordination Office**  Nermin Silajdzic. Country Logistics & Security Manager – South Sudan Plot No. 445, Block 3, Kololo - US Embassy Road.  Central Equitorial State, Juba. M: +211 (0) 911 746 963 · M: +211 (0) 924 767 949 [nermin.silajdzic@malteser-international.org](mailto:nermin.silajdzic@malteser-international.org) · Skype: nsilajdzic [www.malteser-international.org](http://www.malteser-international.org/) Malteser International Europe/Malteser Hilfsdienst e. V., County Court Cologne, VR 4726 Executive Board: Karl Prinz zu Löwenstein, Dr. Elmar Pankau, Douglas Graf Saurma-Jeltsch, Verena Hölken |
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# A. SPECIFICATION OF BIIDING

Related to our advertised Invitation to Bid **MI/ITB/MAR/2019/0019** Malteser International herewith calls for bids concerning afinal financial audit of the Malteser International (MI) resources managed by RAAH in Maridi.

Under the following reference number:

Donor project numbers: 14

Malteser International project number: 1263-MAR

# Description of the organization and its activities

Malteser International is the worldwide humanitarian relief service of the Sovereign Order of Malta and legally a division of Malteser Hilfsdienst e.v. based in Cologne, Germany. MI is a charitable organization recognized as a relief organization according to the Geneva Convention.

MI has been working in South Sudan since 1996. MI is currently running primary health care programs (a human African trypanosomiasis control program, supporting people affected by leprosy, supporting Rumbek Health Training School) and is supporting internally displaced persons in Maridi County of Western Equatoria state and communities in Wau in improving their livelihoods through sustainable agriculture.

MI has initiated a food security project in Maridi County aimed at strengthening agricultural cultivation and marketing capacities of vulnerable households in 3 Payams, Maridi County. The project is aiming at increasing and diversifying agricultural production and to improve food security. This includes marketing and value addition as well as strengthening farmer groups and cooperatives. MI has been implementing this project in partnership and collaboration with local partner.

**Objective of Call for Bids:** In accordance with the overall targets of above mentioned operations, Malteser International plans to procure a final financial audit of the Malteser International (MI) resources managed by RAAH in Maridi.

The technical specifications and conditions of the bidding process are described below in the Specification of Bidding and in the Annex 2: Bill of Quantity which are part of this ITB.

Suppliers are invited to present a bid complying with the requirements here below specified.

# Offer Presentation

The offer shall be delivered in a sealed envelope to Malteser International’s to Juba Country Coordination Office Plot No: 445 Kololo Road 3k South, Tong Ping, Juba Town.

**The deadline for the delivery of the offer is: 1 July 2019 before 4:00 PM**

* The offer shall be written in English
* The envelope must state the following information:
* Reference to the Bid Number
* Address to which the offer is being submitted (see above)
* The words ***“Not to be opened before deadline”*** written in English
* The offer should be valid for **60 days after the deadline**
* The format BoQ can be used or a separate one depending on supplier’s choice.

# General conditions

* The offer shall be typed or written and signed on each page by the legal representative of the supplier,
* The winning supplier might be requested to provide catalogues, pictures, technical descriptions and/or samples of items at the order stage when required,
* The prices of the offer will be expressed in United States Dollars. The prices must be on unit price basis as well as by totals,
* The prices will be considered fixed whereas Malteser International will not process Tax exemption. No additional change of whatsoever nature and type will be accepted by Malteser International,
* Malteser International reserves the right to accept or reject all quotations depending on prevailing condition at the time.

# Financial specification

|  |  |
| --- | --- |
| **Audit and Financial Specifications** | |
| Afinal financial audit of the Malteser International (MI) resources managed by RAAH in Maridi |  |
| Reimbursable expenses: |  |
| Transportation/flights |  |
| Accommodation |  |

# Timetable

|  |  |  |
| --- | --- | --- |
| Activities | DATE | TIME\* |
| Deadline for submission of bids | 1 July 2019 | 04:30 p.m. |
| Opening of submitted offers | 22 July 2019 | 04:00 p.m. |
| Notification of award to the successful contractor | 1 Aug 2019 | - |
| Signature of service contract | 2 August 2019 | - |

\* All times are local time in Juba, South Sudan

# Validity of quotations

Each company is bound to the bid submitted for a period of 30 days from the deadline for submission of quotations.

# Language of quotations

All bids, official correspondence between companies and Malteser International, as well as all documents associated with the quotation request will be in English.

# Submission of bids

All bids must conform to the following conditions:

# Each quotation must have arrived at the address stated below within the deadline on 1 July 2019, before 04:00 p.m. (local time).

Malteser International - Country Coordination Office

Plot No: 445 Kololo Road 3k South

Tong Ping, Juba Town, South Sudan

# Each bid, its annexes, and all supporting documents (specified in point 9) must be placed in a sealed envelope that is marked with the following only:

1. the above-mentioned address;
2. the reference code of the bid;
3. the instruction "Do not open before comparative bid analysis";
4. The name of the bidder.

Audit and financial bids must be placed in a sealed envelope.

# Content of bid

All submitted bids must conform to the requirements mentioned in the request for quotation. Furthermore, they must include the following documents:

**Part 1 - Quotation:** A bid for the offered afinal financial audit of the Malteser International (MI) resources managed by RAAH in Maridi. The format BoQ can be used or a separate one depending on supplier’s choice. Additional sheets/proposal may be attached for further details.

**Part 2 - Legal documents**

* Copy of the company’s certificate of incorporation,
* Copy of Chamber of Commerce registration,
* Copy Tax Identification Certificate,
* Copy of Certificate of Operation,
* Company’s Financial Statement of last three months,
* Company’s official address,
* Bank account details (where money would be paid),

# Ownership of bids

MI reserves/funds ownership of all bids received. As a consequence, bidders will not be able to stipulate requirements that their bids are to be returned.

1. **Opening of submitted bids**

The bids will be opened on 1 July 2019 at 4:00pm in Malteser International Country Coordination Office in Juba, South Sudan, by the Procurement committee. The selection process will be recorded in writing by the committee.

# Bid evaluation

The criteria applied for the evaluation will be the legal conformity, the price, the technical experiences, the compliance with technical specifications and quality standards, and the capacity to deliver, delivery time and meet timeframes as specified. The work will be awarded to the winning bidder according to the timetable mentioned above.

1. **Specific Technical and Financial Evaluation Criteria to standards:**

For the evaluation of the technical proposals, the Contracting Authority shall take the following criteria into consideration, with the indicated weights:

* Candidate’s relevant academic qualifications,
* Candidate’s experience in the region/country e.g. knowledge of local language, culture, administrative system, government etc.,
* Candidate’s experience & engagement in similar tasks,
* Candidate who has to hold the Certified Public Accountant,
* Candidate must be an internationally recognised audit firm,
* Candidate must perform audit in accordance with ISA,
* At least 2 years academic & work experience of team members and
* Bank statement / Cash balance.

1. **Terms of payment**

The payment will be done in United States Dollar by bank transfer. The payment terms are as follows:

1st payment: 30% upon end of fieldwork

2nd payment (final): 70% upon submission of final report

The payments will be done within 15 days after receipt of invoice for each instalment.

# Annex 1: Terms of References for External Financial Audit

**Auditing Project:**

“Sustainable improvement of nutrition-sensitive agricultural production and of the socio-economic capacity/livelihoods of the population with a special focus on vulnerable groups in Maridi County, South Sudan”

**Project Period:** 01. 09. 2015 – 31. 08. 2019 (48 months)

**Time Frame of Audit:** September 2019

**Final Audit report submission:** October 2019

**Background:**

Malteser International is the worldwide humanitarian relief service of the Sovereign Order of Malta and legally a division of Malteser Hilfsdienst e.v. based in Cologne, Germany. MI is a charitable organization recognized as a relief organization according to the Geneva Convention.

MI has been working in South Sudan since 1996. MI is currently running primary health care programs (a human African trypanosomiasis control program, supporting people affected by leprosy, supporting Rumbek Health Training School) and is supporting internally displaced persons in Maridi County of Western Equatoria state and communities in Wau in improving their livelihoods through sustainable agriculture.

MI has initiated a food security project in Maridi County aimed at strengthening agricultural cultivation and marketing capacities of vulnerable households in 3 Payams, Maridi County. The project is aiming at increasing and diversifying agricultural production and to improve food security. This includes marketing and value addition as well as strengthening farmer groups and cooperatives. MI has been implementing this project in partnership and collaboration with local partner.

**Objectives**

The objective of the audit is to conduct a final financial audit of the Malteser International resources managed by Rural Action against Hunger (RAAH) for the period from 01 February 2014 to 31 August 2019 in accordance International Standards on Auditing (ISA).

**Scope of the Audit Engagement**

Engagement is to perform an audit of the funds used in the implementation of the Project – Sustainable improvement of nutrition-sensitive agricultural production and of the socio-economic capacity/livelihoods of the population with a special focus on vulnerable groups in Maridi County, South Sudan, Project Number: 1263-MAR as at and for the period 01. 09. 2015 – 31. 08. 2019. The Project is implemented by **Rural Action against Hunger (RAAH)**.

The audit engagement will be performed in accordance with International Standards of Auditing (ISA) and the Terms of Reference (TOR). The objective of our audit conducted in accordance with ISA and TOR is to control the maximum number of justifying proofs supporting the financial report submitted to BMZ.

**Areas to be covered in the management audit of the project.**

1. Compliance check on statutory requirements under various laws applicable to the Organisation.
2. Test check of Cash/Bank/Journal vouchers for the projects undertaken by the Organisation.
3. Auditors should check and report on use and management of project funds.
4. Auditors should verify investments and purchase of fixed assets from project funds.
5. Review all relevant documents referring to contracts of the organisation and all documents concerning rights and obligations.
6. Assess whether the financial reports, as prepared by the Organisation, are in accordance with the above indicated referential documents, and to examine completeness, accuracy and legitimacy of income and expenditure as stated in the financial reports.
7. Verify the segregation of duties and responsibilities (accounts of expenditures, cash controls, inventory) of accounts staff.

Examine and verify the existing administrative procedures, including the measures and procedures for internal controls and their application with respect to financial transaction and the use of funds.

1. Examine whether the expenditures are classified in accordance with the budget, as indicated in the project description.

9. Examine all bank accounts related to the programme.

10. Reconciliation of bank balances with the balances as recorded in the accounts.

1. Based on a risk analysis, to form an opinion as to whether the Organisation is capable of monitoring the programme and activities, from the point of view of financial management and general programme management.
2. In addition to the audit of accounts as per the TOR of previous audit, please review the progress made on the recommendations.
3. Method of accounting – Cash / Accrual / Mixed.
4. Terms of staff working on the Project, salary paid and the propriety of its charge to the project.
5. Accounting standard and its compliances
6. Compliance with condition stated in Implementation Partner Agreement and its annexes attached to the agreement.

**Reporting**

After completion of the audit, the team from the Auditors Firm would hold a debriefing meeting within the organisation. The meeting would be attended by the relevant project coordinators, the Head of Finance, Head of the Organisation in order to discuss the audit remarks, make suggestions, find solution for recurring procedural/system errors.

Independent Audit reports shall be issued for the project activities financed by the Donor if asked for.

As minimum requirement, the final audit certificate shall contain the statement as described in Statement of Account provided.

### **Basic Documentation: -**

The following documents are considered basic instruments for the audit work:

- Memorandum and Articles of Association/Trust deed of the Organisation/Project.

- General laws (Labour Law, Social Security Fund, Income Tax Act etc.)

- Financial rules of Governments of South Sudan.

- Approved internal rules and regulations of the project.

- Agreements/exchange of letters signed between the Donor and the Organisation.

- Approved Operational plans and budgets (plus amendments if any) of the project.

- Books of account maintained by the Organisation for the current as well as previous years.

- Minutes book of the Board/Trust meeting.

- Field visit reports of the operation or financial staff of the organisation.

**Accounts:**

1. Vouchers are complete and arithmetically correct.
2. Materials procured correspond with the material billed.
3. Verify that a budget control statement comparing the budget head given in the respective agreement/action plans and the actual claimed expenses for the period of audit as well as accumulated budget control statement for the project duration has been established by the Organisation.
4. Verify that a statement showing the amounts received by the Organisation as a Grant, the total claim made by the Organisation/Project by way of interim or final expenses statements (as per the agreement) and the balance amount payable or receivable has been established.
5. Verify that all items of expense included in the claim are covered by the Agreement.
6. Verify that all items of expense are allocated to the appropriate Budget heads as in the Agreements or as modified with approval, wherever necessary.
7. Verify that each item of expenses is supported by original bills/invoices/Air ticket jackets/travel vouchers etc.
8. Comment on any expenses amount paid by other parties involved in the project.
9. Verify that all supporting documents and vouchers are prima facie genuine and in order.
10. Verify whether there are adequate internal control/internal check procedures, commensurate with the size of the organisation/project and nature of its activities such as purchase of stores, equipment and other assets.
11. Verify that all the required information is easily available and in a transparent manner easily (filing systems and records etc.)

**Procurements:**

* Verify that procurement procedures exist and are followed.
* Verify that prices paid for procured goods are economically justified.

**Inventory:** -

1. Verify if cash in hand is reasonably low.
2. Verify that list of inventory and stocks physically tally.
3. Verify the ownership of various items of inventory.
4. Verify if procedures exist and are followed for disposal of inventory items.
5. Verify whether acquisition and disposal of inventory items are properly reflected in the financial statements.

**Contracts:**

1. Verify if the contracts entered into by the Organisation conform to the existing South Sudan Laws.
2. Verify if the contracts entered into by the organisation with various parties in connection with the project are valid in all respects.
3. Verify whether these contracts are in any way prejudicial to the interest of the project.

**Place of Audit / Audit period**:

The Audit must be conducted in the project area (project office and field stations) and not in the office premises of the Audit firm. The audit shall be conducted in the time frame proposed.

##### Annex 1.1

Questionnaire

Questionnaire for use by the external Auditors at the end of the audit:

Please fill all appropriate columns. The answer No requires action. This can either be:

- reporting

- another audit action

- an explanation

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **No.** | Questions | | | **Yes** | | **No** | **Not Applicable** | |
|  | Did you receive a written assignment for the audit? | | |  | |  |  | |
|  | Did you receive written terms of reference? | | |  | |  |  | |
|  | Did you discuss the audit objectives with the general Manager and the financial manager of the Organization? | | |  | |  |  | |
|  | Did you use an audit engagement letter? | | |  | |  |  | |
|  | Did you review all relevant permanent documents of the client such as:  - Project proposals  - Permanent contracts  - All documents concerning rights and obligation? | | |  | |  |  | |
|  | Did you analyse the financial consequences of the permanent documents mentioned under 5? | | |  | |  |  | |
|  | Did you review the procurement and supply procedures in accordance with the criteria?  (pre-qualification. Short list, tender, lowest price for investments and sources of interest, internal control steps for the supply process? | | |  | |  |  | |
|  | Are the procedures mentioned under 7 sufficient? | | |  | |  |  | |
|  | Did you review the application of these procedures? | | |  | |  |  | |
|  | Are the outcomes of the review mentioned under 9 sufficient? | | |  | |  |  | |
|  | Did you review the internal control steps in the operational Supply process? (the steps could be):   * material needs * procurement * receipt * stock keeping * delivery * transport and installation * physical monitoring | | |  | |  |  | |
|  | Is the outcome of the review mentioned under 11 sufficient? | | |  | |  |  | |
|  | Did you review all the other internal control mentioned in your terms of reference ( as received from client). | | |  | |  |  | |
| **No.** | **Questions** | | | **Yes** | | **No** | **Not Applicable** | |
|  | Did you report all main questions to the management? | | |  | |  |  | |
|  | Did you send a management letter to the client? | | |  | |  |  | |
|  | Did you have a final audit meeting with the management of the client? | | |  | |  |  | |
|  | Did you mention the necessary follow up? | | |  | |  |  | |
|  | Did you meet any restriction in your audit operations?  (for this question: yes needs an explanation and mention our action: | | |  | |  |  | |
|  | Are the project accounting operations and project expenditure in accordance with the budget in the contract? | | |  | |  |  | |
|  | Did you review the terms of appointment of staff working on the project and their remuneration are market appropriate. | | |  | |  |  | |
|  | Did you discern any variance in relation to the finances or the programme with respect to the contract? (yes requires an explanation) | | |  | |  |  | |
|  | Did you review the foreign exchange transaction of funds received from Donor? | | |  | |  |  | |
|  | Did you check whether any gains or interest on these transaction were employed in appropriate purposes to further the mission of the Organization? | | |  | |  |  | |
|  | Did you review compliance by the Organisation with national (and/or local) legislation? | | |  | |  |  | |
|  | Did you review the follow up that was given to the Recommendations in your last audit if any? | | |  | |  |  | |
|  | Did you conclude the audit recommendations with a statement as to how many recommendations have been implemented since the last audit and how many are pending implementation? | | |  | |  |  | |
|  | Can you state that no expenditure reflected in the audited statement has been charged to any other donor agency? | | |  | |  |  | |
|  | Can you state that the Organisation is capable of monitoring the programme from the point of view of financial management and general programme management? | | |  | |  |  | |
|  | Is there a change in the method of accounting compared to the previous period? | | |  | |  |  | |
|  | Do you have final remarks or advice to the Organization or to the Donor? | | |  | |  |  | |
| **Annex 2: Bill of Quantity** | |  |  | |  | | |  | |
| |  |  |  | | --- | --- | --- | | Prices | Currency $ | Amount $ | | Audit fee |  |  | | Reimbursable expenses: |  |  | | Transport |  |  | | Accommodation |  |  | | Others out of pocket expenditure (Pls describe more details) |  |  | | Total reimbursable expenses |  |  | | Other tax on services |  |  | | Total price incl. taxes |  |  | | | | | | | | | | |

Please contact Sanohlum [porntipa.sanohlum@malteser-international.org](mailto:porntipa.sanohlum@malteser-international.org) for any clarification of the ToR with copying me [nermin.silajdzic@malteser-international.org](mailto:nermin.silajdzic@malteser-international.org) in the email communication.

On behalf of Malteser International: Date: 18 June 2019

Sincerely,

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| --- | --- | --- |
| [Logo Malteser International](http://www.malteser-international.org/) |  | **South Sudan Coordination Office**  Nermin Silajdzic. Country Logistics & Security Manager – South Sudan Plot No. 445, Block 3, Kololo - US Embassy Road.  Central Equitorial State, Juba. M: +211 (0) 911 746 963 · M: +211 (0) 924 767 949 [nermin.silajdzic@malteser-international.org](mailto:nermin.silajdzic@malteser-international.org) · Skype: nsilajdzic [www.malteser-international.org](http://www.malteser-international.org/) Malteser International Europe/Malteser Hilfsdienst e. V., County Court Cologne, VR 4726 Executive Board: Karl Prinz zu Löwenstein, Dr. Elmar Pankau, Douglas Graf Saurma-Jeltsch, Verena Hölken |
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