



3 April 2017

Subj: Request for Proposals for the provision of external audit services

Dear Sir/ Madam,

Eye Media invites qualified audit firms to submit proposals for the preparation of its audited financial statements and related filings for the period **1 Oct 2016 - 30 Sep 2017**. The audit of Eye Media's financial statements must be performed in accordance with generally accepted auditing standards.

Eye Media is a South Sudanese nonprofit media organization incorporated in 2012 managing the Eye Radio 98.6 FM station in Juba. Formerly the Sudan Radio Service (SRS), Eye Radio is the first South Sudan's independent broadcast provider of news and information. It has served the people of South Sudan with objective, accurate, and credible news and information since its inception 15 years ago.

The audit scope will include audit of financial/fund accountability statement for the period **1 Oct 2016 - 30 Sep 2017**, an examination of existing internal controls and a compliance review of all Eye Radio/Eye Media financial resources on an organization-wide basis.

The audit is scheduled to start on **01 May 2018** and must be completed and final report submitted to Eye Media/Eye Radio by **06 June 2018**.

The audit firm will be expected to fulfill the following minimum requirements:

1. Be officially registered in the Republic of South Sudan.
2. Be in compliance with statutory requirements in the Republic of South Sudan.
3. Possess vast knowledge and experience in auditing donor funded projects and auditing nonprofit clients in Republic South Sudan for over 2 years.
4. Has a good understanding of international standards of Auditing (ISAs).
5. Submit a proposed timeline for fieldwork and final reporting
6. Submit names of the partner, audit manager, and field staff who will be assigned to our audit and provide biographies.
7. Submit references and contact information from at least 3 comparable nonprofit audit clients.

8. Has at least two (2) partners who are members of a recognized accounting body.

Interested audit firms that meet the above requirements and timeline are invited to submit detailed proposals (both technical and financial) to me in hardcopies or via e-mail before Wednesday, **13 April 2018, 5:00 pm**. Late application will not be accepted. Final selection will be based on professional qualification and reputation, experience in auditing similar organizations, official registration, among other criteria. Please refer to the scope of work enclosed herein for further details.

If you have any questions or would like further clarification of any aspect of this request for bid, please contact me using the contact information below. I look forward to receiving your proposals.

Sincerely,

Ariic David Reng

Business Manager, Eye Radio/Eye Media

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TERMS OF REFERENCE (SCOPE OF WORK)

FOR EXTERNAL FINANCIAL AUDIT SERVICES

I. BACKGROUND

Eye Media is a South Sudanese nonprofit media organization incorporated in 2012 managing the Eye Radio 98.6 FM station in Juba. Formerly the Sudan Radio Service (SRS), Eye Radio is the first South Sudan's independent broadcast provider of news and information. Eye Radio has served the people of South Sudan with objective, accurate, and credible news and information since its inception 15 years ago.

Eye Media is currently managing the Internews Subgrant SG-R-5S1301-3, under prime USAID Cooperative Agreement AID-668-A-13-00005, Strengthening Free and Independent Media in South Sudan (i-STREAM), for the period under audit, running from **1 October 2016 to 30 September 2017**.

II. TITLE

Audit of the Financial Statements of USAID Resources Managed by Eye Media under the Internews Subgrant SG-R-5S1301-3, under prime USAID Cooperative Agreement AID-668-A-13-00005, Strengthening Free and Independent Media in South Sudan (i-STREAM) and also an audit of the Eye Media general purpose financial statements on an organization-wide basis (balance sheet, income statement, and cash flow statement) for the period from **1 October 2016** to **30 September 2017**.

III. OBJECTIVES

The objective of this engagement is to conduct a financial audit of the USAID-funded resources managed by Eye Media under the Internews Subgrant SG-R-5S1301-3, under prime USAID Cooperative Agreement AID-668-A-13-00005, Strengthening Free and Independent Media in South Sudan (i-STREAM) for the period running from **1 October 2016** to **30 September 2017** in accordance with U.S. Government Auditing Standards and the USAID “Guidelines for Financial Audits Contracted by Foreign Recipients (Guidelines)”. These audit guidelines are available in the links below:

- 1) <https://www.usaid.gov/sites/default/files/documents/1868/591maa.pdf>
- 2) http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

The financial audit shall include:

- (I) A specific audit of Eye Media’s USAID-funded i-STREAM project/program, and
- (II) An audit of the Eye Media's general purpose financial statements on an organization-wide basis (balance sheet, income statement, and cash flow statement).
- (III) Preparation of Fund Accountability Statement.

The fund accountability statement is the basic financial statement to be audited that presents the Eye Media's revenues, costs incurred, cash balance of funds provided by USAID under i-STREAM. The auditors must examine the fund accountability statement for USAID programs including the budgeted amounts by category and major items; the revenues received from USAID for the period covered by the audit; the costs reported by Eye Media as incurred during that period. The revenues received from USAID less the costs incurred, after considering any reconciling items, must reconcile with the balance of cash-on-hand or in bank accounts. Please note that the fund accountability statement should not include cost-share provided from Eye Media own funds (classed as Program Income). However, a separate cost sharing/counterpart contributions schedule must be included and reviewed as stated in paragraph 4.8 of the *OIG Guidelines*.

The auditors may prepare or assist Eye Media in preparing the fund accountability statement from the books and records and where Eye Media accepts responsibility for the statement's accuracy before the audit commences.

The fund accountability statement should be expressed in U.S. dollars. The fund accountability statement should be reconciled to the USAID funds included in the general-purpose financial statements by a note to the financial statements or the fund accountability statement. All currency amounts in the fund accountability statement, cost-sharing schedule, and the report findings, if any, must be stated in U.S. dollars. The auditors should indicate the exchange rate(s) used in the notes to the fund accountability statement.

A financial audit of the funds provided by USAID under the i-STREAM program must be performed in accordance with U.S. Government Auditing Standards and accordingly include such tests of the accounting records as deemed necessary under the circumstances. The specific objectives of the audit of the USAID funds are to:

- Express an opinion on whether the fund accountability statement for the USAID-funded programs presents fairly, in all material respects, revenues received, costs incurred for the period audited in conformity with the terms of the agreements and generally accepted

accounting principles or other comprehensive basis of accounting (including the cash receipts and disbursements basis and modifications of the cash basis).

- Evaluate the Eye Media's internal control related to the USAID-funded programs, assess control risk, and identify significant deficiencies including material weaknesses. This evaluation should include the internal control related to required cost-sharing contributions.
- Perform tests to determine whether the Eye Media complied, in all material respects, with agreement terms (including cost share contributions, if applicable) and applicable laws and regulations related to USAID-funded programs. All material instances of noncompliance and all illegal acts that have occurred or are likely to have occurred should be identified. Such tests should include the compliance requirements related to required cost-sharing contributions, if applicable.
- Determine if the Eye Media has taken adequate corrective action on prior audit report recommendations.

The audit must be performed in accordance with generally accepted auditing standards of the American Institute of Certified Public Accountants (AICPA), auditing standards that have been prescribed by the laws of the South Sudan or adopted by an association of public accountants in South Sudan, or auditing standards promulgated by the International Organization of Supreme Audit Institutions or International Auditing Practices Committee of the International Federation of Accountants. The objective of this audit is to express an opinion on whether those statements present fairly, in all material respects, the financial position of the Eye Media in period under audit and the results of its operations and cash flow for the year then ended, in conformity with generally accepted accounting principles.

The selected firm is expected to conduct an audit of the Eye Media financial statements in accordance with International Standards on Auditing and express an audit opinion on the financial statements. At the end of the assignment the auditor should:

- 1) Express an opinion on whether the financial statements give a true and fair view of the state of the Eye Media's affairs as at 30 September 2017 and of the incoming resources and application of resources, including income and expenditure and cash flows, for the year then ended.
- 2) Provide confirmation on whether the financial statements have been properly prepared in accordance with Generally Accepted Accounting Practices.
- 3) Prepare a financial statement, balance sheet, cash flow statements and fund accountability statement for a nonprofit organization
- 4) Prepare a Management Letter presenting the auditors findings and recommendations on the internal controls, procurement, assets and inventory management, operations and logistics, human resources and accounting matters, including control weaknesses identified in the course of the audit.

IV. EVALUATION OF PROPOSAL (TECHNICAL AND FINANCIAL) SHALL BE BASED ON THE FOLLOWING CRITERIA:

Evaluation Criteria	% Weighting
1. Understanding of the Terms of Reference and general audit approach.	15 %
2. Track record of the bidder/audit firm in conducting similar audits for nonprofit organizations.	35 %

3. Quality/qualification of the bidder/audit firm or its key personnel on this assignment.	30 %
4. Cost (in USD).	20 %
Total Weighting	100 %

V. TIMELINE OF THE AUDIT

- **Submission of Letter of Engagement** confirming acceptance of Scope of Work by Friday, 20 April 2018.
- **Submission of the list of audit requirements for Eye Media** to prepare before the commencement of the onsite audit sent by no later than Tuesday, 24 April 2018 to EM Business Manager, Ariic Reng (ariic.reng@eyeradio.org).
- **Onsite audit** to commence on Tuesday, 01 May 2018 to Monday, 14 May 2018.
- **First audit draft report** submitted to Eye Media by no later than Friday, 25 May 2018.
- **Submission of Management Letter and In-person audit report briefing** by no later than Wednesday, 30 May 2018.
- Following the in-person audit report briefing, the management of Eye Media will have up to 5 business days to respond with any comments for auditor consideration. The audit firm will then have 1-3 business days to make any final edits/revisions and submit the final audit report not later than **June, 06 June 2018** to Ariic David Reng and Stephen Omiri.

Primary Eye Media contact person:

Ariic David Reng, **Business Manager**, Eye Radio/Eye Media
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Eye Media, PO Box 425, Plot 48, Block 1 Korok, Juba, South Sudan