

TERMS OF REFERENCE (TOR)
**FOR PROVISION OF EXTERNAL AUDIT SERVICES TO MOTT MACDONALD FOR CIVIL SOCIETY
ORGANISATIONS SUPPORTED UNDER THE CIVIL SOCIETY FACILITY PROJECT**

1. Introduction

The Civil Society Facility (CSF) for South Sudan is a multi-donor fund established to strengthen the organisational capacity of South Sudanese Civil Society Organisations (CSOs) and increase their effective and sustained engagement with local authorities and decision-makers, so as to identify and jointly address their communities' salient needs and priorities. Ultimately, it is envisaged that a strong civil society will bring positive change in lives and wellbeing of communities/groups. Mott MacDonald (MM) is managing the Facility on behalf of three donors, including the Embassy of the Kingdom of the Netherlands (Lead Donor), Sweden and Norway.

In the short-term support provided by CSF is expected to enable partner CSOs to:

- i) Improve their organisational capacity
- ii) Deepen their links with communities and groups that they represent;
- iii) Increase their capacity to engage constructively with authorities and decision makers as well as purposefully engage in policy making processes; and
- iv) Form alliances between themselves and with other actors to work on issues relevant to the needs and priorities of communities/groups.

To achieve the above objectives, CSF utilises a combination of methodologies: (a) Grant Making, (b) Capacity development, and (c) Learning and Knowledge Management. Under the Grant Making component, the CSF project made capacity development and advocacy awards to 22 civil society organisations under the Yes We Can (YWC) funding window and another 3 awards to relatively strong national CSOs to play the role of National Intermediary Organisations (NIO) facilitating capacity development of smaller CSOs. Since grant activities are coming to a close by 31 December 2020, CSF is seeking a qualified Audit firm to conduct an audit targeting the twenty-five (25) CSOs supported by CSF.

The CSOs are implementing the programme activities in the locations as specified below:

Lots:	Locations:	No. of YWC CSO Partners:	No. of NIO CSO Partners:
Lot 1	Bor and Torit	7	1
Lot 2	Wau and Rumbek	7	1
Lot 3	Yambio and Aweil	8	1
Total CSOs		22	3

Interested audit firms are entitled to bid for only 1 Lot.

2 Objective of the Audit

The overall objective of the audit on the CSO grant partners for the CSF project is to enable the auditors to express an independent professional opinion on the financial position of each individual CSO partner as from contract signature (Feb/Mar 2020) to closure of programme activities (31 December 2020). This will provide the Facility Manager, Mott MacDonald, the assurance that all funds granted to the programme have been used for their intended purposes, they have achieved value for money and have been properly accounted for as per contractual agreement.

3 Scope of the Audit

- i. The audit will be carried out in accordance with the International Auditing Standards and will include tests and verification procedures as the auditors deem necessary.
- ii. The audit will provide the CSF Fund Manager, Mott MacDonald (MM), with the assurance that all Financial Reports/Invoices from Contract Signature to Contract Termination have been used for approved programme activities (predominantly capacity development interventions).
- iii. This will require the auditors to verify whether the funds transferred to the CSO Grantees have been used in accordance with the established conditions/rules and regulations of the contract with the CSF Fund Manager, Mott MacDonald, and only used for the purposes for which the funds were provided.

In so doing the auditors will, where necessary:

- Assess whether the project's financial reports and funds requests/invoices have been prepared in accordance with generally accepted accounting principles, and following the regulations outlined in the contractual agreement concluded between the CSO and MM. It should give a fair view of the financial situation from project signature to closure i.e. YWC (Feb-Dec 2020) and NIO (Mar-Dec 2020);

- Assess whether project implementation has been carried out in accordance with the budgets (and revisions thereof);
- Check whether appropriate supporting documents, records and books of accounts relating to all activities under this grant agreement have been kept. Clear linkages should exist between the books of accounts and the financial statements presented;
- Assess whether goods, works and services financed through the grant have been procured in accordance with the YWC & NIO CSO partners established rules and procedures and have been properly accounted for;
- Verify that any project assets in the project financial reports/invoices are complete, accurate and in accordance with CSO partners guidelines and templates and that the assets are labelled and are verified by physical checks;
- Identify ineligible expenditures and misstatements (if any) to be reflected in a separate paragraph of the audit report;
- Assess whether expenditure of project funds have been approved at the correct level of delegated authority including initial approval to incur expenditure and subsequent payments for goods, services and operating expenses and any other categories charged to the project budget;
- Provide an opinion on the Project financial statements and management and compliance with the CSF Fund Manager's regulations as well as applicable Government of South Sudan financial accounting and reporting regulations;
- Assess the quality of internal controls and effectiveness of accounting processes and identify specific deficiencies (if any) and areas of weakness in systems and controls and make recommendations for improvement;
- Assess whether internal controls are sufficient robust to identify errors or fraud that are material in nature;
- Conduct an entry and exit meeting with the Executive Directors (ED) of all YWC and NIO CSO partners;
- Communicate matters that have come to auditors' attention during the audit which might have an impact on the sustainability of the CSO partner's organizations.
- Bring to CSF Fund Manager, Mott MacDonald, attention any other matters that the auditor considers pertinent.
- Include relevant CSO project management feedback into the final audit findings and recommendations.

4 Outputs / Deliverables

1. The Auditors on completion of the audit work will submit 2 (two) original copies of the Audit Report appended to the Financial Statements (expressing an independent opinion on the financial

statements/invoices) along with the reports to the attention of the CSF Fund Manager, Mott MacDonald management.

2. The report will be accompanied by a Management letter in accordance with the scope of work described here in this CSF Terms of Reference (TOR).

5 Consultations with concerned parties

Prior to the start of the audit work, the audit firm will be required to consult with the Mott MacDonald South Sudan country office, and specifically the CSF project management team, as well as the partner Civil Society Organisations.

Further, upon completion of the draft audit report, including management letter, the audit firm will be required to meet with the CSF project management team to debrief them on the major findings from the audit and its recommendations for future improvements as well as to seek their feedback thereon.

6 Audit Duration

The audit work shall be completed within **three weeks** from the date of commencement of the audit.

7 Evaluation Criteria

The successful audit firm should have proven experience and track record in auditing donor-funded projects with evidence of at least four similar assignments successfully completed in the last 5 years.

The following scoring criteria will be applied to select the audit firm:

CRITERIA	Score (%)
Qualifications and competence of the proposed staff	30
Demonstrated experience on similar assignments (at least four assignments in auditing donor-funded projects successfully completed in the last 5 years)	20
Adequacy of the proposed technical approach, methodology and work plan with timelines in responding to this Terms of Reference	30
Financial Evaluation	20
TOTAL SCORE	100

Kindly note that interested audit firms are entitled to bid for only 1 Lot.

How to apply

Interested audit firms legally registered are required to submit their application by **25th January 2021** to judi.otieno@csfsouthsudan.org, hakim.jumason@csfsouthsudan.org and Henry.Boro@mottmac.com by 5:00pm EAT. Kindly do not resubmit application if you had previously sent your application(s)