

Request for Proposals

STATUTORY AUDIT SERVICES FOR THE PERIOD OF JANUARY-DECEMBER 2021

Issue Date:

February 21, 2022

Closing Date For Proposals:

March 4, 2022

Closing Time:

1:00pm

Project Title:

USAID Farmer to Farmer Program

Offer Reference Number:

(RFP-003-2022)

1. Disclaimer

The information contained in this request for proposals (hereinafter referred to as RFP) document is provided to the Offeror(s) by the International Executive Service Corps (IESC) in anticipation of IESC's proposal in response to USAID Cooperative Agreement: 7200AA18LE00010.

IESC desires to receive proposals from companies (Offerors) to serve as an independent accounting firm to conduct a financial audit of IESC in accordance with International Standard of Auditing (ISA) and as required by Non-Government Organization Act, 2002.

IESC plans to award one fixed price contract for services.

The purpose of this RFP document is to provide Offeror(s) with information to assist them in the preparation of their proposal/s for the services that IESC seeks to source. This RFP document does not claim to contain all the information each Offeror may require. Each Offeror should conduct their own assessment and should check the accuracy, reliability, and completeness of the information in this RFP document, and where necessary obtain independent advice from appropriate sources.

IESC may cancel this RFP and is under no obligation to make an award as a result of this RFP, although IESC fully anticipates doing so, should IESC's proposal be selected. Activities are anticipated to begin in March 2022.

Note that USAID (hereinafter referred to as Donor) determines proposal notification, award, and start dates, and they are subject to change at donor or IESC's discretion. Any activities under a final agreement are subject to and shall be carried out in accordance with the regulations promulgated by the donor under 2 CFR 200, USAID Standard Provisions, 2 CFR 700, and IV) and any other subsequently published rule or regulation governing the program.

IESC may, at its own discretion, but without being under any obligation to do so, update, amend, or supplement the information in this RFP document.

Interested offerors are responsible for all costs associated with preparation and submission of proposals and will not be reimbursed by IESC.

Any contract resulting from this RFP will be a Fixed Price Contract for Services.

2. Background

IESC is a leading U.S. nonprofit organization that fosters private sector development in the economically developing world. Since 1964, we have delivered lasting solutions that have resulted in more than 1.5 million jobs in 137 countries. We partner with businesses, cooperatives, entrepreneurs, jobseekers, and governments to sustainably build capacity, create jobs, and grow enterprises, sharing proven skills and experience that improve the lives of individuals, families, and communities around the world. Our major funders today are the U.S. Agency for International Development (USAID) and the U.S. Department of Agriculture (USDA), among others.

Through volunteer technical support from the American people, IESC's F2F Tanzania program is increasing agriculture lending that benefits both lender and borrower. Expert volunteer advice and interventions in Tanzania will increase agricultural productivity and improve access to markets for youth and women through capacity building and training, promotion of access to technology and development of innovative, targeted financial products.

3. Period of Performance

The anticipated period of performance, should offeror be selected, will be March 2022 through July 2022 with an option of extension.

4. Scope Statement

The IESC intends to engage an independent accounting firm to conduct a financial audit of IESC in accordance with the International Standard of Auditing (ISA) and as required by Non-Government Organization Act, 2002. Under the Laws of Tanzania, IESC as a Non-Governmental Organization registered in Tanzania is obligated to prepare a financial statement for funds received and expended for the year ending December 31, 2021. IESC is looking to engage an experienced audit firm to conduct this financial audit. The selected firm will have to issue all applicable audit reports and any findings upon completion of the audit.

The initial audit report will be for the period of January to December 2021 based on performance.

All quotations must be valid for a minimum of 60 days.

5. Statement Of Work

5.1. Schedule of Authorities

The contractor will report to the County Director.

5.2. Activities

5.2.1. Specific Objectives

The Auditor will perform a comprehensive and adequate audit procedure as required by the ISA, to express an opinion on IESC Tanzania's financial statements and whether the statements fairly present the Auditee's financial position and the result of its operations.

1. The Audit procedures will be designed to provide a reasonable assurance of detecting errors and irregularities that are material to the financial statements. To achieve this objective, the Auditor will examine the Auditee's accounting record and the other supporting documents and develop an audit plan and procedures.
2. The audit procedures will also include any procedures and or assurance required under Tanzanian NGO law to meet the annual reporting requirement of the Government of Tanzania.
3. The required format for the audit opinion on the financial statements is in the sample Audit Report prepared under International Standard on Auditing (ISA).
4. Review programs/projects funding agreements and documents, work plans, budgets, and progress reports, identifying the relevant provisions and areas of special concern for closer examination.
5. The review should include, but is not limited to, an assessment of internal control structures and processes, management capacity and integrity, compliance with agreement of terms and regulations, advances, asset management, procurement, financial and human resources, payroll management processes, and review of previous audit recommendations
6. Review any other area of concern that the auditor may think is necessary to be able to form an opinion on IESC Tanzania's Financial Statements.

The Auditor will carry out the audit of financial statements, which comprises the statement of IESC's financial position at each year's end, the statement of comprehensive income (income and expenditure and payments) for each year ended on 31st December 2021, a

funds balance and a summary of significant accounting policies and other explanatory notes. The audit will be carried out in accordance with ISA and the auditor will provide their opinion as to whether the annual financial statements present a true and fair view.

5.2.2. General Requirements

The Auditor is expected to perform/examine the following audit procedures:

1. Funding agreements:

Review programs/projects funding agreements and documents, work plans, budgets and progress reports to identify the relevant provisions and areas of special concern for closer examination.

2. Income

Review supporting documentary evidence of funds transfers by date into IESC bank accounts. Also check the completeness of income by ensuring any other income is fully accounted for and properly recorded in the books.

3. Asset Management

Review of management and control of project and IESC-owned fixed assets for the limited furniture, and equipment the office maintains.

4. Accounts Payable/Vendor Management/Procurements

Review the procurement processes and cycle, vendor management and maintenance of accounts payable.

5. Human Resources and Payroll Management

Focus on a review of how the payroll process is handled for the three staff members, and payments of salaries and statutory deductions.

6. Review of Internal Controls and Recommendations for Improvement

Assess internal controls in place and whether these controls are sufficient to prevent the loss of IESC assets due to fraudulent acts, accident or negligence, and identify gaps and recommend remedies.

7. Advances not Retired

Perform a detailed review of vouchers of the outstanding advances at year's end and assess their recoverability.

8. Adherence to Laws and Regulations of Tanzania

Assess whether IESC is in breach of any laws or regulations of the country regarding taxes, registration and other applicable laws.

9. Compliance with International Financial Reporting Standards (IFRS)

Assess IESC compliance with IFRS or similar applicable accounting standards.

10. Other Areas of Concern

Review any other area of concern that the auditor may think is necessary to be able to form an opinion on IESC Tanzania's Financial Statements.

In performing audit procedures 1 to 10 above, the Auditor should exercise due professional care and judgment, and determine the nature, timing and extent of audit procedures to fit the objectives, scope, and context of the audit.

As a final product, in addition to the audit opinion on the financial statements for the year ended 31st December 2021, the auditor will produce a separate management letter/report of audit findings and suggest recommendations to remedy the gaps when internal systems are found lacking.

5.3. Deliverables

File an annual return and/or financial statements to meet the Registrar of NGO's requirements, as per the Societies Act Cap. 337 as revised in 2002. Submission of final report to IESC.

6. Contract Type

The contract is anticipated to be a Fixed Price Contract for Services, to be paid in lump sum for deliverables completed.

7. Instructions to Offerors

7.1. Submission

- 1) Offers received after the closing date may not be considered.
- 2) Technical and cost proposals must be submitted as two separate documents. Cost information must not be included in the technical proposal.
- 3) Interested firm must provide information indicating that they are qualified to perform the services by submitting an updated company profile, description of similar assignments, experience in similar conditions and relevant skills. Interested firms must also submit a Financial Proposal in writing.
- 4) Received proposals shall be evaluated based on the criteria provided under "Qualifications and Selection Criteria" listed below.
- 5) Late applications will not be accepted for evaluation irrespective of the circumstances.
- 6) Offers are required to provide the following information in their proposal:
 - a. Proof of company as customary per Tanzania and business registration e.g TIN, VRN, Business License or company registration certificates.
 - b. The methodology, workplan and timeline for undertaking and completing the assignment. Please include a list of dates and deadlines for all necessary deliverables for the team's consideration.

- c. Validity of the proposal submitted.
- d. A list of recent contracts performed of as similar range of services (preferably donor funded projects if available). Please include the names and email address of at least two organizations that can provide your organization a reference.
- e. Cost Proposal - quotes must be provided in Tanzania Shillings.
- f. Name and contact of the main contact person of the organization.

Offerors must submit their proposals by the closing date and time, as listed on page one, to the following: Finance & Administration Coordinator at jkapoma@iesc.org copying Country Director, at amkezwa@iesc.org

7.2. Clarification and Amendments

Offerors may request clarifications via email to jkapoma@iesc.org and amkezwa@iesc.org no later than **1:00/p.m., Eastern Africa Time (EAT), UTC +3, on Friday, February**

25th, 2022. IESC will provide answers to these questions and requests for clarification asked by all Offerors simultaneously via email and posted on the IESC website with the RFP before the close of business on/or before **Tuesday, March 1st, 2022.** IESC may not answer questions before the proposal submission deadline outside of the allotted response period for clarifications. No questions will be answered over the phone or in person.

7.3. Cover Page and Markings

In addition to the required proposal documents listed in sections 10 and 11 below, please include a cover page with your submission for the technical and the cost proposals (separate cover pages). The cover page should be on company letterhead and should contain the following information:

- 1) Project or Title (from the front page of this RFP document)
- 2) Offer Reference Number (from the front page of this RFP document)
- 3) Company Name
- 4) Company Address
- 5) Name of Company's authorized representative
- 6) Contact person if different than Company's representative
- 7) Telephone #, Cellular/Mobile Phone #, Email address
- 8) Duration of Validity of proposal
- 9) Payment terms
- 10) DUNS # (Applies to companies, not to individuals)

- 11) Total Proposed Price (***cover page of cost proposal only***)
- 12) Signature, date, and time

8. Eligibility Requirements

Offeror may be required to present a business license and must meet the following qualifications:

- Firm must meet the International Accounting Standards and International Financial Reporting Standards.
- Spoken and written fluency in English.

Offerors may need to obtain a DUNS number and an eligibility notice prior to receiving any award. Award will be contingent upon donor final approval.

9. Basis for Award

IESC anticipates that award will be based on best-value. Accordingly, award will be made to the technically acceptable Offerors whose proposals provide the greatest overall value to IESC and the donor and F2F program, price, and other factors considered. The winning proposal must conform to all solicitation requirements.

To determine the successful offer, proposals will be evaluated on the criteria below. The number of points assigned, totaling 100 points, indicates the relative importance of each individual criterion. Offerors should note that these criteria serve to: (a) identify the significant factors that Offerors should address in their proposals; and (b) set the standard against which all proposals will be evaluated.

10. Technical Proposal Evaluation

Please read carefully, the following are instructions for preparing proposals. Proposals must be organized into sections corresponding to the sections presented in **10.1 Technical Evaluation Criteria** and numbered accordingly. Please stay in the page limits given below. Only include the requested information and avoid submitting extra content. Any text or pages exceeding the page limitation for each section of the proposal may be redacted and not evaluated.

Proposals shall be written in English with each page numbered consecutively. Cover pages, dividers, and tables of contents are not subject to the page limit.

10.1. Technical Evaluation Criteria

Proposals will be evaluated according to the following criteria. Points will also reflect the overall presentation of the proposal, which should be clear, complete, well organized, and well written. Most importantly, proposals should address all the requirements listed in this RFP.

[1] Offeror's audit expertise and knowledge of international financial transactions in Tanzania: 3 pg. limit; possible points 25

Proposals will be scored on the ability to meet the requirements of International Accounting Standards and International Financial Reporting Standards as well as audit expertise and knowledge of international financial transactions in Tanzania. This will be evaluated by reviewing the description the offeror provides as part of the proposal, as well as contacting references of the offeror to review past auditing experience.

[2] Offeror's past performance and references: 3 pg. limit (not including samples of previous work, which may be attachments and/or references); possible points 25

Demonstrating 5+ providing similar auditing services on behalf of local and or/international NGO's receiving funding from international sources or other organizations. A description of past experience and knowledge working with USAID-funded programming and projects will be an added advantage.

[3] Offeror's Personnel Experience and Capacities: 3 pg. limit (not including resumes or CVs, which are attachments); possible points 25

The technical proposal must include a description (biographical sketch acceptable) of the individual, or for companies a minimum of one, but not more than two, senior management personnel, who would directly work on the activities in the contract. Resumes or CVs must be submitted as attachments for individuals submitted in this section and do not count within the page limitations of this section.

[4] Offeror's ability to deliver audits on time and meet deadlines as proposed. Possible points 25

This criterion will be evaluated by a description of experience in delivering audits on time and within the deadline proposed, reviewing the timeline provided, and the assessed feasibility of the proposed timeline. Additional evaluation criteria include contacting references that the offeror has worked with to inquire about past experience in delivering audits on time and meeting deadlines as proposed.

11. Cost Proposal Evaluation

The Offeror shall submit a separate detailed cost proposal that fully explains the total cost.

All proposed costs must be in accordance with the U.S. Government Cost Principles under 2 CFR 200.

IESC will evaluate the cost proposals separately. The best value proposal is selected based on a combination of the technical score and reasonableness of the cost

12. Deviations

IESC reserves the right to waive any deviations by offerors from the requirements of this solicitation that in IESC's opinion are considered not to be material defects requiring rejection or disqualification; or where such a waiver will promote increased competition.

13. Discrepancies

Please read the instructions carefully before submitting your proposal. Any discrepancy in following the instructions or contract provisions may disqualify your proposal without recourse or an appeal for reconsideration at any stage.

14. Conflict of Interest Declaration

The following steps outline IESC's contract selection process and should be understood by all Offerors to ensure the transparency of awards and avoid conflict of interest.

- 1) Request for Proposals (RFPs) are posted on IESC's website. The offer is open to all qualified offerors;
- 2) Clarifications will be emailed to all offerors submitting questions, as well as posted on IESC's website, simultaneously;
- 3) Once the proposals are received, an evaluation committee scores them;
- 4) Cost proposals are evaluated for reasonableness, accuracy, and completeness;
- 5) The best value proposal is selected based on a combination of the technical score and the cost;
- 6) No activity can be started until both IESC and the awardee have signed a formal contract; and,
- 7) IESC policy against fraud and code of business ethics exists throughout the life of the subcontract and beyond. Even if the contract is closed, if any party is found guilty of fraud, IESC will make a full report to the Donor Office of Inspector

General, which may choose to investigate and prosecute guilty parties to the fullest extent of the law.

Any contracts awarded will be required to comply with all administrative standards and provisions required by the Award made from Donor.

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