



CALL FOR PROPOSALS (CFP)

Eurasian Women's Network on AIDS (EWNA) is seeking an Audit company to provide:

- financial audit of Robert Carr Fund for civil society network (RCF) Supported Project (Terms of reference No. 1 - Annex 2.)

Detailed Terms of reference for audit you can find in Annex 2 to the CFP.

1. Background

Eurasian Women's Network on AIDS (EWNA) is a non-for-profit charitable membership-based organisation, registered by the initiative of women's activists and organisations from Eastern Europe and Central Asia (EECA) in May 2015.

Before submitting the proposal, please read about EWNA at <http://www.ewna.org/about-us/>

2. Timing for audit and submission of the audit reports

Period of Audit	Submission of Auditor Report
January-December 2019	01 April, 2020

3. The company will be selected through Least-Cost Selection (LCS) in accordance with EWNA procurement policies. Selection criteria and a process are described in Annex 1 to the CFP.



Annex 1. Selection criteria

1. Introduction

EWNA will select a company in accordance with the selection procedure established below.

Audit Companies are invited to submit Technical and Financial proposals for audit services listed in the ToRs (Annex2). The proposal will be the starting point for negotiations and, eventually, for drafting the Agreement to be entered into with the selected company.

Company shall bear the expenses in connection with their preparation and submission of the proposals and negotiation of the Agreement. EWNA shall be under no obligation to accept any proposals and shall reserve the right to withdraw the CFP at any time prior to the conclusion of the Agreement, and the Company shall bear no liability or obligations in such case.

2. Selection Criteria

The auditor will be selected based on Least Cost Selection in two stages: on first stage all candidates will be evaluated on technical criteria. Audit companies who pass the minimum score for the technical offers set will compete only by price.

The proposals will be evaluated by Evaluation Committee consisting of external expert invited by EWNA, EHRA treasurer and staff.

During the evaluation procedure the Evaluation Committee may, if necessary, contact the Companies for explanations/clarification regarding the proposal they submitted. For this reason, every proposal shall contain contact information for persons whom such requests shall be addressed to.

3. Minimum requirements for Auditor

The auditor must:

- i. Be professionally competent and have experience in planning and conducting audits of this nature;
- ii. Be eligible to practice as an external auditor and express audit opinions pursuant to the laws, rules and other requirements of the country where the grant is implemented;
- iii. The certified auditor has to be registered with a recognized institute of registered public auditors;
- iv. The Auditor must be unaffiliated with AIDS Fond, EWNA, the Consortium Partners (EHRA and EKOM) and any EWNA sub grantees.

4. The technical criteria will include the following:

Criteria, sub-criteria	Points
Eligibility – auditor must satisfy the requirements defined in the Law on Audit of Georgia, hold the auditor’s certificate and be on the list of auditors on the official website - https://www.saras.gov.ge/	20
Experience of your firm in relation to the scope of audits for non-profit organization funded by international donors not less than 5 years. <i>Please provide a list of similar non-profit organizations with international funding served by your firm.</i>	20
Staff qualification - your staff assignments and availability to complete the audit on a timely basis. Participation of senior audit personnel assigned to the engagement. Knowledge of English and Russian, including writing and reading (<i>documents for audit in EWNA are in Russian and English</i>). <i>Please provide CV’s for all staff to be assigned for the EWNA audit.</i>	Max 60 (incl)



Key professional staff qualifications and competences for the assignment:	
<i>An audit partner</i> with at least 10 years' experience in auditing and with a sound knowledge of donor-financed projects. In addition, he/she should be a member of a recognized accountancy professional body.	30
<i>A senior auditor</i> with at least a Master's degree in auditing/accounting or an equivalent qualification with a minimum 5 years of experience in general audits and 3 years of auditing donor funded projects.	20
An auditor with at least 3 years of experience in general audits and 1 year of auditing donor funded projects.	10

5. The Minimum Technical Score required to pass is 100.

The Companies obtaining the minimum score for the technical offers set (100 points) will compete only by price.

6. Proposal Submission Procedure

The proposal shall include the following documents:

1. Technical proposal;
2. Financial proposal.

7. Information in your proposal must be in the following order:

1. Name of your company, address, name and telephone of the authorized person;
2. Copy of the document confirming the legal status of the company;
3. Brief description of the company's activities for the last 5 years, including a list of similar non-profit organizations or similar projects served by your firm;
4. CVs of all assigned staff, including short description of experience in auditing similar projects or not-for-profit organizations with international funding;
5. Professional Liability Insurance – please let us know if you have such insurance and the limit of it;
6. Detailed audit plan/methodology including your approach to risk and fraud detection;
7. Proposed fee separate for each year.

Deadline for submission Proposals 20 January 2020 (6 p.m. Tbilisi time)

If you need more information or have any specific questions, please refer them to info@harmreductioneurasia.org with remark **"Audit competition"**.

Selection process and awarding of contract will be done by 03 February, 2020.



Annex 2. ToR for financial audit of RCF Supported Project

Terms of Reference

for External Audit of Robert Carr Fund for civil society networks (RCF) Supported Project

1. Background

In 2018 three regional networks: the Eurasian Harm Reduction Association (EHRA), the Eurasian Coalition on Male Health (ECOM), and the Eurasian Women's Network on AIDS (EWNA) under the leadership of EHRA submitted a proposal and got an approval for funding a new project named *“Thinking outside the box: overcoming challenges in community advocacy for sustainable and high-quality HIV services”* (hereinafter in the text Project).

Project funded by **Robert Carr Fund for civil society networks (RCF)** through **Stichting Aids Fonds – STOP AIDS NOW! – Soa Aids Nederland (Aidsfonds)**.

Project Number: 20190206

Project timeline: January 2019 – December 2021

Overall budget: USD 251,933

Project title: *“Thinking outside the box: overcoming challenges in community advocacy for sustainable and high-quality HIV services”*

Project partners: EHRA - lead partner, ECOM and EWNA together named ***The Eurasian Regional Consortium***.

EHRA as lead organisation must distribute funds between two partners, ECOM and EWNA, according to the table below:

Budget, USD by years	EWNA
2019	84,369
2020	83,782
2021	83,782
TOTAL	251,933

More information about Project you can find at <https://harmreductioneurasia.org/projects/rcf-regional-consortium-2019-2021/> and <http://www.ewna.org/projects/>

2. Objective of the Audit

The objective of the audit of Project financial report prepared by EWNA is to enable the auditors to express an independent professional opinion whether the financial report on the grant is accurate in all material respects and in accordance with the Project Agreement and Terms and Conditions Grants (T&CG).

3. Scope of the Audit

The audit will be carried out in accordance with the International Auditing Standards (ISA) and will include tests and verification procedures as the auditors deem necessary.

- The auditor has to verify all funds have been used in accordance with the established rules and regulations of EHRA, RCF and Aidsfonds and only for the purposes for which the funds were provided.
- The auditor must investigate, within the limits of the audit, whether the grant was spent on achieving the objective for which the funds were granted.
- The auditor must establish that the financial report is consistent with, and laid out in the same way as, the approved budget. The items in financial report, prepared by EWNA must be substantiated by appropriate documentation.



- The auditor must confirm that the quality of the EWNA's internal controls are sufficient and reports on any weaknesses in the internal controls.
- The auditor must establish that the financial reports on the subgrants are accurate and in accordance with the Project Agreement and the Terms and Conditions Grants.
- The auditor has to establish whether the EWNA has a reliable control system for awarding subgrants and auditing the subgrantees' financial reports. In this respect, EWNA should award subgrants in accordance with conditions and instructions that are comparable to those in the Project Agreement, the T&CG.
- During the audit, the auditor must adhere to the following reliability margins:
 - (a) reliability percentage is a minimum of 95%.
 - (b) the overall materiality level for the audit is 3% of the total expenditures.

4. Deliverables

The Auditors on completion of the audit work should submit:

- 2 original copies of the Audit opinion in English along with the Memorandum of examination (Annex 3), prepared in line with Aidsfonds requirements.
The auditor should confirm in the Memorandum of examination the materiality levels used, including the performance materiality and SUM-posting level (the SUM posting level is the amount (subject to evaluation of relevant qualitative factors) below which potential audit adjustments need not be accumulated and evaluated and potential control deficiencies need not be accumulated and evaluated. SUM = Summary of Unadjusted Misstatements).
- A copy of the signed representation letter must be added to the Memorandum of examination.
- Together, the financial report and the audit opinion constitute a single document, which the auditor must stamp and initial on each page. The report can be delivered electronically.

5. Contacts

EWNA will provide confidentially to the auditor a list of important contacts to conduct the audit including full contact details. This will include at a minimum: Head of the Board and Financial Manager.

6. Available documents and facilities

The selected audit firm will also be granted timely full and unrestricted access to any financial management system, accounting record, asset, property and personnel that may assist in clarifying any matter related to the audit.

It is highly recommended as part of auditing requirements on understanding the nature of the entity's operations, that the auditors familiarize themselves with the following docs:

- Terms and Conditions Grants (T&CG) consist of Guidelines for Audits of Compliance with the "Grant Regulations Agreement": <https://aidsfonds.org/resource/aidsfonds-terms-and-conditions-grants-2019v22>
- More information about Project <http://www.ewna.org/projects/> and <https://harmreductioneurasia.org/projects/rcf-regional-consortium-2019-2021/>
- About nature of our organization <http://www.ewna.org/about-us/>



Annex 3. Example of Memorandum of examination

Memorandum of Examination [EXAMPLE]

Content

Audit Findings

1. Fraud risk assessment
 2. Critical matters
 3. Summary of unadjusted differences
 4. Description of significant accounting, financial, tax, or auditing matters, including accounting estimates and related judgments
 5. Update of internal control matters
 6. Compliance with local laws and regulations
 7. Findings related to cash procedures/transactions
 8. Exchange rate
 9. Other matters
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Audit Findings

1. Fraud risk assessment

We performed the procedures as requested [conclusion]. [Include a list of significant fraud risk factors in addition to those identified by the group audit team, the auditor's response and the results of the auditor's related procedures applied (if any). Also include an update of the interim response related to fraud and illegal acts (if any).]

2. Critical matters

The information in each critical matter's detailed description should include a description of the matter; implications of the matter; actions taken to address the matter and any additional evidence obtained; results of consultations with others; information identified that is inconsistent with or contradicts the local partner team's final conclusion concerning the matter; and final conclusions reached and the basis thereof. Issue Description Recommendations Management comment.

3. Summary of unadjusted differences

[No unadjusted differences were noted or please refer to attached Summary of Unadjusted Differences. All items have been discussed and agreed with local management. We hereby give you a short description of the differences: [...]] or

[No audit adjustments were proposed by us and booked by the local partner management or Please refer to attached summary of adjustments booked].

4. Description of significant accounting, financial, tax, or auditing matters, including accounting estimates and related judgments

Issue Description Recommendations Management comment.



5. Update of internal control matters

We have identified the following internal control matters additional to our interim memorandum of examination [or: We have noted no additional internal control deficiencies.]: ... [please use the table included in the interim memorandum of examination].

6. Compliance with local laws and regulations

During our audit we have noted the following risks: ... [or no risks] related to noncompliance with local laws and regulations. We have paid special attention to compliance with the local tax regime and social security obligations.

7. Findings related to cash procedures/transactions

Payments authorized by the right person and to the right party.
[...]

8. Exchange rate

Exchange rate have been calculated according to following procedure:
[...]

9. Other matters

[...]