REQUEST FOR PROPOSAL (RFP)
RFP Ref No. : TAF-A2J-Aug-2017-013

Seeking proposals from Independent Audit firms / CPA & CA firms to carry out a Financial Audit, of the sub recipients a) Afghan Women’s Rights Organization (AWRO) b) Equality for Peace and Democracy (EDP) funded by the Asia Foundation under its DFAT funded project “Strengthened Access to Justice for Women Affected by Violence through Proven Culturally-Sensitive Approaches in Afghanistan”, based upon the predefined terms of reference as mentioned in this Request for Proposals.

BACKGROUND SUMMARY

The Asia Foundation is a non-profit, non-governmental organization committed to the development of a peaceful, prosperous, just, and open Asia-Pacific region. The Foundation supports programs in Asia that help improve governance, law, and civil society; women's empowerment; economic reform and development; and international relations. Drawing on more than 60 years of experience in Asia, the Foundation collaborates with private and public partners to support leadership and institutional development, exchanges, and policy research. With a network of 19 offices throughout Asia, an office in Washington, D.C., and its headquarters in San Francisco, the Foundation addresses these issues on both a country and regional level.

The Asia Foundation received funding for Strengthened Access to Justice for Women Affected by Violence through Proven Culturally-Sensitive Approaches in Afghanistan Program in order to improve women’s rights awareness, capacity building of related government institutions, operations, management, and strengthening women's access to justice in 20 provinces in Afghanistan.

Through this program supported by DFAT, The Asia Foundation provides both technical assistance and programmatic support to civil society institutions and NGOs in Afghanistan which eventually enables these entities to improve their management while assessments will inform the Foundation about areas that needed further attention. This program aims at increasing access to justice for women’s rights organizations through capacity building and technical support.

AWRO Background

AWRO believes that ensuring socio economic independence for the gender balance, poor, marginalized and vulnerable sections of the society is the most significant step towards poverty alleviation and human development.

"Management and Innovation in the nonprofit sector are seen as the most vital challenges of the present era. In this respect, AWRO, a non-profit making society established in March 2007 in Afghanistan with the experience since 1996 in Pakistan, has been a pioneer in the area of Development Management, bringing together skills in development innovation and corporate management, onto a single platform."
AWRO has pioneered initiatives, which combine providing solutions to issues that currently plague the society, such as violence, poverty and lack of economic opportunities, with building an entrepreneurial spirit among the disadvantaged communities, effectively empowering them to manage their livelihoods and participate on a sustained basis in the development process. AWRO therefore believes that effective organization, capacity building and mobilization of poor people are pre-requisites for poverty alleviation and for initiating change. AWRO’s contribution in this direction has been mainly through its “Awareness Raising”, “Civic Education”, “The Vulnerable People especially the Women’s Participation in Politics”, “Peace Building” and “Income For Food” programs and empowerment of the marginalized communities. It also provides expertise in the development of sustainable livelihood options, in the management of Income Generation Programs for women and other disadvantaged groups, in developing & providing market infrastructure support, and the management of market supply chain linkages & systems." AWRO has been a developmental organization of national repute, facilitating community development initiatives since 1996 in Pakistan and 2007 in Afghanistan. Our strategy is to empower the vulnerable sections of the society by building up their capacities through education, health and skill-based development. We are working for the cause of human development focusing on the less privileged sections of the society in the rural & urban areas of the country.

EDP Background
EQUALITY for Peace and Democracy (EPD) is a nonprofit, non-governmental organization dedicated to empowering women and youth at the community and policy levels in Afghanistan. EPD was established in early 2010 by Ms. Nargis Nehan, and it works to build the capacity of women and youth in order for them to be the front face in presenting their needs in development, peace building and democratic processes of the country. EPD further aims at mass mobilization of women and youth to contribute to overcoming the challenges of instability that Afghanistan is facing. EPD has established platforms for women and youth to come together, establish networks, build trust and confidence, and strive jointly to transform Afghanistan into a democratic country free of all forms of violence and discrimination.

STATEMENT OF WORK
The objective of this engagement is to conduct a financial audit of the DFAT resources passed and managed by the Sub-recipient under program [Strengthened Access to Justice for Women Affected by Violence through Proven Culturally-Sensitive Approaches in Afghanistan.
  b.  EPD: from June 2016 to September 2017.

Timeline
The proposed financial assessment of the project will be conducted over a period of Twenty (20) working days simultaneously with each implementing partners with the following schedule:

<table>
<thead>
<tr>
<th>Time</th>
<th>Activity</th>
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<tbody>
<tr>
<td>Day 1</td>
<td>Debriefing on the policies, procedures, project to be audited and relevant donor polices initially with TAF and subsequently with implementing partners.</td>
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<tr>
<td>Day 2 to Day 14</td>
<td>Starting Field Audit</td>
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<tr>
<td>Day 15 to Day 16</td>
<td>Prepare the first draft report and findings to be presented to implementing partners for review and exit meeting.</td>
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<tr>
<td>Day 17 to Day 18</td>
<td>Present the first draft report of the Audit findings to implementing partners’ management for their review and comments / responses and recommendation (with a copy to TAF/AG team).</td>
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Day 19  | Collate, Consolidate and incorporate all comments into the final report
Day 20  | Present the Final Audit report to implementing partners (with a copy to TAF/AG team).

**SCOPE OF WORK**

A financial audit of funds provided by DFAT must be performed in accordance with DFAT Auditing Standards, and accordingly includes such tests of accounting records as deemed necessary under the circumstances. The Specific objectives of the audit of the DFAT funds are to:

- Express an opinion on whether the fund accountability statement for the DFAT-funded programs presents fairly, in all material respects, revenues received, costs incurred, and commodities directly procured by DFAT 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 recipient's internal control related to the DFAT-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 recipient complied, in all material respects, with agreement terms (including cost-sharing/counterpart contributions, if applicable) and applicable laws and regulations related to DFAT-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 recipient has taken adequate corrective action on prior audit report recommendations.

Auditors must design audit steps and procedures in accordance with DFAT Auditing Standards to provide reasonable assurance of detecting situations or transactions in which any irregularities have occurred or are likely to have occurred and if such evidence exists, the auditors must report the same to TAF/AG Senior management.

**Pre-Audit Steps:**

Following is a list of documents applicable to programs under the sub recipient. The auditor should review the applicable documents considered necessary to perform the audit:

- The agreement between the Asia Foundation and the Sub-recipients.
- The sub-agreements between implementing partners and other implementing entities (if any), as applicable.
- Contracts and subcontracts with third parties (vendors, suppliers or service providers), if any.
- The budgets, implementation letters, and written procedures approved by TAF.
- All program financial and progress reports; and charts of accounts, organizational charts; accounting systems descriptions; procurement policies and procedures; Finance policies and procedures; Admin policies and procedures; and receipts, storage and distribution procedures for materials (i.e. stationary stock), Inventory of items / goods procured under this award; as necessary to successfully complete the required work.
- Any previous audit, financial reviews, etc., that directly relate to the objectives of the audit.
• Review direct and indirect costs billed to and reimbursed by TAF and costs incurred but pending reimbursement by TAF, identifying and quantifying any questioned costs. All costs that are not supported with adequate documentation or are not in accordance with the agreement terms must be reported as questioned. Questioned costs that are pending reimbursement by TAF must be identified in the notes to the fund accountability statement as not reimbursed by TAF.
• Review general and program ledgers to determine whether costs incurred were properly recorded.
• Review procedures used to control the funds, including their channeling to contracted financial institutions or other implementing entities. Review bank accounts and the controls on those bank accounts. Perform positive confirmation of balances, as necessary.
• Determine whether advances of funds were justified with documentation, including reconciliations of funds advanced, disbursed, and available. The auditors must ensure that all funding received by the recipient from TAF was appropriately recorded in the recipient’s accounting records and that those records were periodically reconciled.
• Review procurement procedures to determine whether sound commercial practices including competition were used, reasonable prices were obtained, and adequate controls were in place over the qualities and quantities received.

Brief details of projects (to be audited)

For AWRO:
• Project duration (for current Audit) – July 2016 to September 2017
• Budget: USD. $743,941
• Total estimated number of vouchers: 3500

For EPD:
• Project duration (for current Audit) – July 2016 to September 2017
• Budget: USD. $331,960
• Total estimated number of vouchers: 1120

BUDGET GUIDELINE
Interested Financial agencies / CPA /Audit Firms are required to submit their proposals with a detailed budget based on the activities being proposed by them as per the above mentioned scope of work. Also note that all potential agencies who wish to participate in this bid / proposal submission, and are registered with AISA or Ministry of Economy are liable for a 2% tax deduction and those that are not registered are liable for a 7% deduction from the final payments. Hence it would be advisable that the agencies submit a copy of their registration certificate along with the proposal documents.

INSTRUCTIONS FOR SUBMISSION OF PROPOSAL
The proposal should include as annexes the following documents:
1. A statement on the organizational capacity including -
2. Background summary of the organization highlighting areas of expertise and experience
3. Current list of clients and any direct experience of working on similar assignments in the last two years (include references)
4. A brief description of the proposed audit plan as per the ‘Time Line’ mentioned under the Statement of Work.
5. A detailed Budget corresponding to the mentioned Scope of Work mentioned in the RFP, for carrying out the assignment.

Interested agencies are requested to submit their proposals (Technical & Financial) in a sealed envelope with all the pre-qualification documents to:

THE PROCUREMENT UNIT
The Asia Foundation
House # 861, Street # 1
Sub-street, Shirpur Project
Kabul, Afghanistan.

All envelopes containing the proposals may be handed over it to the procurement department.
For any further queries, kindly address your email to country.afghanistan.procurement@asiafoundation.org. No personal visits or telephone calls shall be entertained.

TIME FRAME

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date</th>
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<tbody>
<tr>
<td>Announcement of RFP</td>
<td>Aug 21, 2017</td>
</tr>
<tr>
<td>Last date for submission of Proposal</td>
<td>Aug 29, 2017</td>
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<tr>
<td>Evaluation of proposals and Identification of agency</td>
<td>Aug 30, 2017</td>
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<tr>
<td>Agreement with selected agency</td>
<td>Sep 4, 2017</td>
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EVALUATION CRITERIA
For the purpose of carrying out this assignment, TAF-AG will select an agency through an open competition process and will sign an agreement as per the organizational policies.

The successful agency will be selected based on the following criteria:

<table>
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<tr>
<th>Criteria</th>
<th>Score</th>
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<tbody>
<tr>
<td>Agency Profile, Clientage, past experience on similar assignments, time lines etc.</td>
<td>40%</td>
</tr>
<tr>
<td>Overall budget</td>
<td>60%</td>
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</tbody>
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TAF-AG will constitute an internal panel / committee to review the proposals. Proposals will be ranked according to their technical scores and only qualified technical proposals will be considered for review of financial bids. The agency scoring the highest aggregate technical and financial scores will be selected and called for discussions.

Proposals found inconsistent to the conditions mentioned in the ‘INSTRUCTIONS FOR PROPOSAL SUBMISSION’ during initial screening of proposal will be considered void and will not be included for technical and financial evaluation.

TYPE OF AWARD INSTRUMENT
TAF-AG will issue a Service Agreement to the selected agency, which will be as per TAF’s internal policies and would be governed by TAF’s Rules, Regulations and Guidelines. Payments to the agency will be made as per the payment schedule, which will be negotiable and finalized while signing the agreement.

OTHER TERMS AND CONDITIONS
TAF-AG anticipates a total timeframe of 20 work days for it to be completed
TAF’s marking and Branding regulations may apply to all deliverables produced from this assignment.
TAF-AG is not bound to select any of the agencies submitting proposals. As quality is the principal selection criterion, TAF–AG also does not bind itself in any way to select the agency offering the lowest price. The cost for preparing a proposal and of negotiating an award including visits to the TAF-AG office, if any is not reimbursable as a direct cost of the assignment.

ANNEXES:

1- CV Template
2- Office direction map