Asia Community Development Organization

REQUEST FOR PROPOSAL (RFP)
Basic General Literacy (BGL) Project Audit

RFP#: ACDO- RFP # 03-2023
1. SUMMARY

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<tbody>
<tr>
<td>1</td>
<td>Title</td>
<td>BGL Project Audit</td>
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<td>Announcement Type</td>
<td>Request for Proposal</td>
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<td>3</td>
<td>RFP Number</td>
<td>ACDO- RFP # 03-2023</td>
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<td>4</td>
<td>Issue Date</td>
<td>October 29, 2023</td>
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<td>5</td>
<td>Closing Date and time</td>
<td>November 12, 2023 – 3:00 PM Afghanistan Standard Time</td>
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2. INTRODUCTION TO ORGANIZATION

Asia Community Development Organization (ACDO) is an Afghan non-governmental, non-political, and non-profit humanitarian organization established in 2014 and registered with the Government of Afghanistan under the supervision of the Ministry of Economy with a mission to provide humanitarian and development assistance to the vulnerable, at-risk, and underserved people throughout the country.

ACDO responds to the needs of deprived and marginalized rural and urban communities by managing and utilizing the available scarce resources in a well-organized, efficient, effective, transparent, and dignified manner to enhance resilience, boost access to education, health services, and infrastructure, ensure food and livelihood security, and promote social protection and inclusion.

ACDO has an active presence in most parts of the country and intends to expand its operations to the remaining provinces, as to transform itself into a leading and developed organization that will deliver to and supports the large number of people who have been affected by the long-protracted and sudden on-set emergencies in Afghanistan. ACDO has always honored and adhered to the four fundamental humanitarian principles of humanity; independence; neutrality; and impartiality.

Regardless of the hardest circumstances that exist in Afghanistan, ACDO has managed to deliver humanitarian and development assistance in most parts of the country and has ongoing projects in the east, west, north, north east, south east and central regions.

3. SCOPE OF SERVICES:

Basic General Literacy (BGL) is provided to youth and adults aged 15 and above (at least 70% female) through the Youth and Adult Literacy and Basic Education (YALBE) level 1 curriculum (equivalent to grades 1-3 of formal education) and pre-vocational skills modules developed by UNESCO for youth and adults with zero to basic literacy skills.

ACDO is implementing the BGL project in Five districts in Parwan province, which is Surkh Parsa, Seya Gard, Sheikh Ali, Shinwari and Koh-e-Safi. Seven districts in Paktika province, which is Ormamai, Toro, Dela o keshamand, Zarghon Shahar, Zeroak, Gomal and Geyan. And four districts in Samangan province, which is Hazrat sultan, Dare Soof Bala, Feroz Nakhcher and Roe Du Aab districts of Samangan province. And covered 4005 direct beneficiaries in all three provinces.
ACDO is seeking for qualified international recognized audit firm to conduct the projects (Basic General Literacy-BGL) audits period will be covered from (09 October 2022 to 15 Nov 2023). The total projects budgets were (505,547 USD) (Paktika 218,666USD) (Parwan 156,970 USD), and (Samangan 129,911 USD). The audit shall be carried out in accordance with International Financial Reporting Standard (IFRSs)/GAAP issued by International Accounting Standards Board (IASB). The audit shall be carried out by an external, independent, and qualified auditor (Certified Public Accountant/Authorized Public Accountant). The firm is required to conduct the audit, verify the records, particularly the following:

1. Provide an opinion on whether the financial statements are free from material misstatements and present a true and fair view in accordance with generally accepted accounting principles.
2. Conduct a financial audit for BGL project funds received from the donor (UNESCO) for the project period.
3. Determine whether the costs incurred are allowable, allocable and reasonable under the agreement terms, and identify any exceptions that have occurred or are likely to occur due to inadequate controls.
4. Review the compliance with all the terms and conditions of the grant agreements.
5. Assess the overall internal project relevant systems and present key findings and recommendations.
6. Review and evaluate the project financial management system.
7. Prepare and submit a comprehensive financial audit report.
8. Prepare and submit a separate financial audit report for each project.
9. Identify the eligible and ineligible costs of the project.

4. **INSTRUCTIONS TO APPLICANTS**

ACDO will review applications based on criteria, and instructions set forth as follow in this document. The applicants must respond to all of the requests and requirements of this application to the best of their ability.

**A. RFP Contents**

Applicants’ firms are advised to review this document and the information provided carefully, particularly the following sections, which are required for successful submission of applications.

- **Prerequisites**: All interested applicants, must meet the eligibility requirements listed in the “Eligibility Criteria” section of this RFP as detailed below.

Submission: Please submit the technical and financial application and other required documents as per the instructions provided under the submission.

**B. Eligibility Criteria**

**QUALIFICATION OF THE AUDIT FIRM**

The firm must have the following qualifications

- The firm must be a member of the Forum of Firms of IFAC and one of the top 20 audit firms worldwide.
The auditor should be experienced in applying International Standard Auditing (ISA) audit standards, whichever is applicable to the audit.

- Having professional personnel to be assigned to the engagement and quality of the firm’s management support personnel available for technical consultation adequate.
- Prior experiences with NGOs in Afghanistan.
- Capacity, capability, and experience required for a thorough and fair audit.
- Five years’ experience in auditing the accounts of entities comparable in size and complexity to the entity being audited.
- Having rich local/international nonprofit organizations auditing experience.

C. Evaluation Criteria for the Award

Applications that are considered eligible, that conform to the requirements stated in this RFP, and that are received by the Submission Due Date and Time will be evaluated on the basis of the Evaluation Criteria (EC) set forth below.

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<th>Evaluation Criteria</th>
<th>Evaluation Criteria Description</th>
<th>Points</th>
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<td>Past Experience:</td>
<td>All applicants will be subject to a past performance review, with emphasis on prior activities and experiences for the implementation of similar task. The applicant firm will include but not limited to the following:</td>
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<td>✓ Introduction to the firm</td>
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<td>✓ Firm’s experience of providing similar services, and in particular experience of working with similar organizations funded projects in Afghanistan.</td>
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<td>✓ Explanation and a list of similar clients pertinent served by the firm.</td>
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<td>✓ Eligibility authorization by the Government of Afghanistan to conduct the audit.</td>
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<td>Technical Merit</td>
<td>ACDO will review the extent to which the proposed technical approach can reasonably be expected to produce the intended results in a specific timeframe. This includes reviewing the relevance of the approach specifically the following</td>
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<td>✓ Proposed audit methodology along with audit procedures that will be performed.</td>
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<td>✓ Detailed audit and logistic plan.</td>
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<td>✓ Audit deliverables</td>
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<td>✓ Work plan.</td>
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<td>Firm Capacity and Capability:</td>
<td>ACDO will review the effectiveness of the approach in terms of the applicant organization's internal structure, technical capacity, and ability to represent beneficiary interests. Applicants are encouraged to consider partnerships and coalitions, as appropriate, to broaden geographic diversity, promote greater inclusion, and increase program reach.</td>
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D. Application Process

The application process shall be as follows:

STEP 1 – Submission of Technical and Cost Application

- **Technical proposal**
  The applicant shall submit a full proposal in response to this RFP

- **Cost Proposal**
  The Applicant must prepare the cost proposal in USD.

STEP 2 - Negotiation

If the applicant is successful, then the applicant and ACDO will enter into final discussions to ensure all pre-requirements are met, and key contract terms are negotiated and agreed upon.

Payment terms may include payment through the provision of advances, direct reimbursement, or payment through a fixed amount contract where payments are made based on the submission of the project audit management letter report.

5. **SUBMISSION**

Interested firms should submit the seal proposal to ACDO Main office at House # 14, Street # 06, (Shirpoor), PD 10, Kabul-Afghanistan by **November 12, 2023 – 3:00 PM Afghanistan Standard Time**. The incomplete or invalid applications, i.e., those that do not include all required application
materials, respond to the RFP objectives, or otherwise comply with the application guidelines, may not be reviewed. If you have any technical questions and further clarification, please send email to: procurement@acdo-af.org.

6. OTHER APPLICATION GUIDELINES AND NOTICES
The following conditions, guidelines, and notices are included to assist you in preparing a competitive application. All of them should be reflected in your submission.

7. LANGUAGE
The applicant shall provide all proposal documentation in English.

8. MODIFICATION AND WITHDRAWAL
Issuance of this RFP does not constitute a contractual commitment on the part of ACDO, nor does it commit. ACDO reserves the right to modify by written notice the terms of this RFP at any time in its sole discretion. ACDO also reserves the right to withdraw this contract at any time with or without a statement of the cause, prior to the actual contract.

9. SUBMISSION CHECKLIST
Please use this section as a checklist to ensure that all listed documents are submitted as a part of your application package. Additional documents can be included if they will support your application. All documents must be submitted via email as provided above. Any additional documents can also be provided if they support your application. Required documents include:

1. Technical application
2. Cost proposal/budget
3. Work/Implementation plan
4. Company valid registration certificate
5. International affiliations/registration/certificate and evidence documents
6. List and contract three similar services accomplished by the firm.
7. Tax clearance form for (Year-1401)
8. Curriculum vitae for the key staff who will be undertaking the audit form ACDO.
9. Company Profile
10. Firm official bank account details
10. **PAYMENT TERMS AND BID PRICE FOR SERVICE CONTRACT**

   a. The payments will be made after the submission of the audit reports.
   b. Bid prices are for complete contracts; contracts cannot be subdivided. All relevant services must be offered as whole.
   c. All duties, taxes and other payable will be paid by the contractor under the contract, shall be included in the total bid price submitted by the bidder.
   d. ACDO deduct the applicable tax as required by Afghanistan tax Law and will make the direct deposit to the Da Afghanistan Bank and make a clearance with the Ministry of Finance at the end of the year and monthly bases accordingly.
   e. As the tax withholding entity, ACDO is required to remit the income tax amount withheld directly to the Ministry of Finance designated account by the end of the month following the transaction.
   f. ACDO will issue an income tax withholding certificate to the contractor/vendor listing the gross payment, the amount of income tax withheld, and the net contract payment along with a copy of the payment form and deposit receipt for transfer made to the designated Ministry of Finance account.
   g. According to Article No 73 of Income Tax law of 1384 amended to Article No 72 the Client will withhold:
   h. 2% of contract value, if the Contractor holds a valid business license from the relevant sources.
   i. 7% of the contract value, if the Contractor does not have a valid business license or expired business, or any other tasks for which the contractor isn’t able to provide the business licenses.

11. **SEALING AND MARKING OF THE BIDDING DOCUMENTS BY THE BIDDER**

   1. The bidder shall enclose the bid for each contract in a plain envelope securely sealed.
   2. Be addressed to the logistics/procurement department of the Asia Community Development Organization.
   3. Bear the contract number.
   4. No other markings should be on the envelope.
   5. If all envelopes are not sealed and marked as required, the Asia Community Development Organization will reject the bid.