Term of Reference
For Annual Audit
Building Children Resilience in Bomi, Nimba, and Lofa through Safe Schools and Disaster Risk Reduction in Communities

Job from: Plan International Liberia

Issuing Date: • December 6, 2019
Closing Date: • December 20, 2019

Introduction and Background to the Norwegian Agency for Development Cooperation (NORAD) framework project in Liberia 2016-2019

Plan International Liberia is implementing a child-centered disaster risk reduction project through funding from the Norwegian Agency for Development Cooperation (NORAD). The project comes as a result of Liberia witnessing various naturally triggered and human induced disasters: noticeable of these include wars, epidemics, landslides, floods, fires, sea erosion, windstorms and rainstorms that have caused the destruction of several school buildings across the country.

The project was initially designed primarily as Safe Schools program. Upon the completion of a revised, consolidated global results framework for the Norad program in 2017, the project adopted the following thematic areas aimed at achieving the below thematic goals:

1. **Education Thematic Area:**
   - improved access, quality and inclusion in education at the national or societal level.

2. **Child Protection**
   - Improved regulatory frameworks and community based child protection mechanisms being recognized and scaled up to more communities.

3. **Safe Schools**
   - Reduce the risk and effects of environmental shock and stress or; schools

II. **Duration of the Project Implementation**

The project is currently implemented in 30 schools / communities in the following geographic locations in Liberia. They are Lofa, Bomi, Montserrado, Gbarpolu and Nimba Counties for four years.

Year I — 2016, Year 2 - 2017, Year 3 - 2018, and Year 4- 2019.

III. **Project Aim**

To ensure that children and communities in Liberia are more resilient to complex emergencies and uninterrupted access to safe, quality education during and after emergencies.
IV. Target Beneficiaries

- 2,000 children (6,000 girls and 6,000 boys between 7-15 years of age);
- 350 community & local leaders of selected communities/counties;
- 150 primary school teachers and school administrators
- 40 young leaders in child participation

V. Overall Audit Guidelines

The annual financial statements of the project shall be audited in accordance with international Standards of Auditing (ISA) 800 (Special considerations audits of financial statements prepared in accordance with special purpose frameworks) or ISA 805 (Special considerations audits of single financial statement and specific elements, accounts or items of a financial statement and in full alignment with the donor’s guidelines). This must be specified and clearly stated in the Audit report.

The audit shall be carried out by an independent chartered/ certified state-authorized public accountant (auditor). The audit report should be in English and the amounts in NOK. The payment to partner should be adjusted to liquidated expenses. The total expenditure must be reconciled with G3 report SAP.

VI. Objectives of the Annual Audit

The auditor shall form an opinion on whether the project's financial statements fairly reflects the financial position of the project and whether they are prepared, in all material respects, in accordance with the applicable financial reporting framework, namely:

The financial statement shall be set up in a way that allows for direct comparison with the latest approved budget, using the same currency and budget line item. They shall, as a minimum include:

- The accounting principles applied
- Income from all sources shall be specified
- Expenses charged/ capitalized in the relevant reporting period
- Unused funds as per the reporting date
- Overhead/ indirect costs covered by the grant
- Balance sheet, when required in accordance with the accounting principles applied
- Explanatory notes including description of the accounting policies used and any other explanatory material necessary for transparent financial reporting of the project

VII. Expected Outputs of the Annual Audit

The audit report shall include:

- The project name and agreement number;
- Identification of the project’s total expenses and total income; The subject of the audit;
- The financial reporting framework applied;
- The auditing standards applied;
- A statement that the auditor has obtained reasonable assurance about whether the financial statements as a whole are free from material misstatements: The auditor’s opinion.
in addition to the project's audit report, the auditor shall submit management letter (matters for governance attention), which shall contain any findings made during the audit of the project. It shall also list any measures that have been taken as a result of the previous audits whether such measures have been adequate to deal with reported shortcomings. If any findings have been reported in the project's management letter, the Management of Plan International Liberia shall respond with an action plan to be submitted together with the management letter.

VIII. Scope of the Annual Audit

The audit covers assessing the accounting system, including the review of hard copies of vouchers and invoices from January 1, 2019 to December 31, 2019. The auditor will work with Plan International Liberia Internal Audit Department and will visit Project sites in Bomi, Nimba and Lofa Counties respectively.

IX. Approximate Timeline

Audit should be conducted in 15 days as of the day of contracting.

X. Auditor’s Qualification, Competences and Experience for the Annual Audit.

1. The audit shall be carried out by external, independent and qualified (Certified Public Accountant, Atthnri7ed Public Accountant).

2. The auditor must be completely impartial and independent from all aspects of management or financial interests of the organization. The auditor shall not, during the period covered by the audit nor during the undertaking of the audit, be employed by, serve as advisers or mentors or, or have any financial or business relationships with the organization. The Auditors should disclose any relationship that might possibly compromise their independence.

3. The auditor shall be registered and have a license with the Liberia Institute of Chartered Public Accountant LICPA and must demonstrate that s/he employs adequate staff with appropriate professional qualifications with international standards, in particular International Standards on Auditing (ISA) and with suitable experience in accounting and auditing the accounts of entities comparable in size and complexity to entity being audited.

4. In addition, the audit team as a whole will have:
   - Appropriate experience with audits at development projects financed by the donors. At least one senior member of the team either a should have such experience: and
   - Demonstrate sufficient knowledge of relevant laws, regulations and rules in the country concerned. This includes but is not limited to taxation, social security and labor regulations, accounting and reporting; and
   - Fluency in English

5. The key audit team will comprise, at least:
An audit manager with at least 10 years' experience in auditing and with a sound knowledge of donor-financed projects. In addition s/he should be a member of accountancy professional body:

- A team leader with at least a Master’s degree in auditing/accounting or equivalent with a minimum of 5 years' experience in auditing; and
- An assistant auditor with adequate experience and professional qualification,

Curriculum Vitae (CVs) must be provided to the client by the Partner of the firm of auditors who shall be responsible for signing the opinion together with the CVs of managers, supervisors and key personnel proposed as part of the audit team. The CVs shall include details of audits carried out by the concerned staff, including ongoing assignments indicating capability and capacity to undertake the audit.

XI. Evaluation Criteria

The evaluation criteria are divided into Technical and Cost factors. In assessing the Firm's proposal, Plan International Liberia allocates greater importance to Technical factors than to Cost factors and thus the evaluation is split 80 points, for Technical factors, and 20 points, for Cost factors.

Plan International Liberia’s Evaluation Panel will assess the extent to which proposals submitted in response to this RFP meet the evaluation criteria below and in accordance with the Plan International policies and procedures.

A two stage procedure will be utilized in evaluating the proposals, with the evaluation of the technical proposal being completed prior to the cost proposal being considered. The evaluation of the proposal is only undertaken for technical submissions that score above the minimum (40 points out of maximum 80 points). Score assigned to each proposal will be of guidance in determining which proposal would provide the greatest value to Plan International Liberia. However, Plan International Liberia reserves the right not to employ raw scores in determining best value where it considers, in its sole discretion, that this would not be appropriate.

A. Technical Evaluation Criteria (80 points)

Technical proposals will be evaluated based on the following evaluation criteria:

1- Profile of the Firm (10 points):
Qualifications and experience of the Auditors, including experience in auditing international donor projects/programs. At least five (5) performance references from clients within the last eight (08) years. Registered with the Liberia Institute of Chartered Public Accountant LICPA or a recognized international professional body.

2- Profile of the Staff (40 points):
Qualifications and experience of the proposed Professional Personnel to work the audit, including experience in performing work related to the technical requirements described in the Terms of Reference. Will also consider both years with the firm and current position held.

2.1- Audit Team composition
The team of auditors required for this engagement will be composed of a category 1 auditor the ultimate responsibility for the audit and an audit team which is composed of an appropriate mix of category 2 — 4
auditors and who have the qualifications and experience as set out below. It is the responsibility of the Auditor to compose and propose an audit team which has an appropriate mix of auditors for this engagement. Plan International Liberia distinguishes 4 categories of auditors.

- **Category I — Audit Partner**
  An audit partner should be a highly qualified expert with a relevant professional qualification and assuming or having assumed senior and managerial responsibilities in public audit practice. He/she should be a member of a national accounting or auditing body or institution. He/she must have at least 10 years of professional experience as a professional Auditor or accountant in public audit practice. An audit partner, or another person in position similar to that of a partner, is the person of the audit firm Who is responsible for the audit and its performance, and for the report that is issued on behalf of the firm. He/she has the appropriate authority from professional, legal or regulatory body and is authorized to certify accounts by the laws of the country in which the audit firm is registered.

- **Category 2 - Audit Manager**
  Audit managers should be qualified experts with a relevant university degree or professional qualification. They should have at least 6 years' experience as a professional auditor or accountant in public audit practice including relevant managerial experience of leading audit teams.

- **Category 3 — Senior Auditor**
  Senior auditors should be qualified experts with a relevant university degree or professional qualification and at least 3 years professional experience in public audit practice.

- **Category 4 — Assistant Auditor(s)**
  Assistant auditors should have a relevant university degree and at least 1 year’s professional experience in public audit practice.

3- **Proposed Methodology (30 points):**
Understanding of the scope of work and the proposed approach, including a detailed work proposal that describes in detail how the Auditor plans to meet the requirements of the audit. Will also consider experience in overcoming technical problems in meeting the requirements of previous audit work,

- **B. Cost Evaluation Criteria (40 points):**
  When at least 40 points out of the maximum possible 80 points has been scored for Technical proposal evaluation, a review of the Cost proposals will be conducted. Proposals will be evaluated in terms of best value to Plan International, price and other factors considered. Cost proposals must be submitted in USD. Cost proposal and technical proposal must be attached separately in one email.

- **B 1.0 Financial Proposal**
  **B 1.1. Summary of Costs**

<table>
<thead>
<tr>
<th>Cost</th>
<th>Amount (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subtotal B 1.2. — Fees</td>
<td></td>
</tr>
</tbody>
</table>
FY20/PRG/CO/NOV/44-REF#

Subtotal Bl. 3. — Reimbursable Expenditure
Subtotal Bl. 4, — Miscellaneous Expense
Local Taxes (as applicable)

Total Amount of Financial Proposal

B 1.2. Breakdown of Fees

<table>
<thead>
<tr>
<th>Expert Name</th>
<th>Category</th>
<th>Daily Rate(USD)</th>
<th>Level of Effort</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Partner</td>
<td>Category 1</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Audit Manager</td>
<td>Category 2</td>
<td></td>
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<tr>
<td>Audit Senior</td>
<td>Category 3</td>
<td></td>
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<tr>
<td>Assistant(s)</td>
<td>Category 4</td>
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</tbody>
</table>

sub Total Bl.2.

___________(USD)

*Please do not use hours and hourly rates, please use days and daily rates
Bl. 3. Reimbursement Expenditure and Daily Subsistence Allowance

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Unit (USD)</th>
<th>Quantity</th>
<th>Price</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Reimbursable expenditure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Flights</td>
<td>Trip</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Miscellaneous Travel Expenses</td>
<td>Trip</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Local Transportation cost</td>
<td>Trip</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Office Rent/ Accommodation/Clerical Assistance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Daily Subsistence allowances: Day</td>
<td>Day</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Per diem

Sub-total B1.3 _________ USD

B1.4 Miscellaneous Expenses

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Unit</th>
<th>Quantity</th>
<th>Unit Price (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Communication Costs (Telephone, telegram, fax)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Drafting, reproduction of reports</td>
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</tr>
</tbody>
</table>
3. Equipment: Vehicles, Computer, etc.

Sub Total B1.4 ___________ USD

Local transportation costs are not included if local transportation is being made available by Plan International Liberia. Similarly, in the project site, office rent/ accommodations/clerical assistance costs are not to be included if being made available by the Firm.

XII. Submission Of Application

- A PDF scanned copy of the tender cover letter signed by an authorized Officer of consultancy team outlining the contents of the tender documents;
- Application subject must be written with only the following phrases on the Envelope and email subject for submission (NORAD 2019 Audit)

Interested individuals, firms and institutions can submit their application no later than December 20, 2019 at 4:30 p.m. local time. Please submit a written technical proposal including a detailed budget to liberala.consultantsinfo@plan-international.org and if you have further questions, please send your question to the same email address up to December 20, 2019. No questions will be addressed after this date.

PLEASE NOTE THAT HARD COPIES OF PROPOSALS WILL BE ACCEPTED AND FOLLOW-UP TELEPHONE CALLS ARE NOT NECESSARY. SHORT LISTED INDIVIDUALS/FIRMS WILL BE DULY INFORMED. Address all hard copies to:

Country Director
Plan International Liberia
Office Tubman Boulevard
Behind Zone 3 Police Station; Oldest Congo Town
P. O. Box 1021
Monrovia, Liberia