

# **TERMS OF REFERENCE FOR THE PROVISION OF EXTERNAL AUDIT SERVICES FOR THE FINANCIAL YEAR 2013 TO UMUHUZA NGO**

## **1. BACKGROUND:**

UMUHUZA is a national NGO that strives to create a culture of peace across Rwanda through peaceful conflict management. The organization has been working since 2005 in Ngororero District and Kigali City on a community outreach programme, focusing on peace education and family literacy especially educating parents of young children to promote improved childhood development and create peaceful citizens. UMUHUZA invites tenders from reputable consulting firms for the provision of external audit services for the financial year 2013.

## **2. SCOPE OF WORK**

2.1. The successful bidder will be required to perform the following types of external audits (only list the applicable items):

- É Risk based audits (this includes, but are not limited to, audits on the Financial, Human Resource);
- É Compliance audits;
- É Performance audits;
- É Audits on predetermined objectives (performance information);

2.2. The scope of external audit work entails testing and evaluating the adequacy and effectiveness of the organization's systems of internal control and to make recommendations

- i. Review the effectiveness and efficiency of the financial and human resource management process.
- ii. Appraising the effectiveness and efficiency with which resources are employed and identifying opportunities to improve operating performance.
- iii. Review the reliability and integrity of financial and operating information and the means used to identify measure, classify and report such information.
- iv. Review the systems established by management to ensure compliance with those policies, laws, regulations and controls that could have a significant impact on operations and determine whether the organizations is in compliance with its financial, administrative and property management procedures and other relevant legislation that governs the organization.
- v. Ensure that the organization adheres to the corporate governance requirements as

- prescribed in the organization's internal rules and regulations.
- vi. Reviewing operations or programs to ascertain whether the results are consistent with established objectives or goals and whether the operations or programs are being carried out as planned.

2.3. Execution of audit assignments will be as follows:

- i. Assignments are to be performed in accordance with the International Standards for the Professional Practice of External Auditing (Standards).
- ii. The execution of each assignment shall be in accordance with the instructions the bidder will get from the client.
- iii. In carrying out the work, the successful bidder must ensure its staff maintains their objectivity by remaining independent of the activities they audit.

#### 2.4. **Location of services**

The required service of external audit will be rendered at UMUHUZA's Headquarters as situated in Kacyiru Sector, Gasabo District in Kigali City near to MINAGRI offices.

### 3. **TECHNICAL REQUIREMENTS**

Thorough research must be conducted for benchmarking purposes and estimation of overall hours by the organization inviting tenders, the overall hours should be the basis for evaluation of the following in the bidding process:

**3.1.** Explanation of the approach to performing an external audit, including the audit methodology, nature, timing and extent of audit procedures to be performed;

**3.2.** Demonstration of experience and expertise of external auditing with non-governmental organizations;

**3.3.** Providing an activity plan (project plan) of actions to achieve the objectives of the external audit function, specifying budgeted hours, timelines and sequence for its audit procedure and level of staff to be assigned;

**3.4.** Incorporating CV's of the proposed professional staff of the core management team proposed for the engagement and the authorized representative submitting the proposal. Key information should include the position of the individual in the company, the role that the individual will have in the engagement, number of years' experience, all tertiary and professional qualifications, professional memberships, experience, and degree of responsibility held in various assignments during the last three (3) years. CVs must be maximum one (1) page per staff

member.

**3.5.** Proof of experience in performing external audit services: list current and past clients where the bidder carried out external audit along with the name of the organization, contact person, designation, contact number, nature of the external audit service and length of the appointment for at least three (3) non-governmental organizations where you have rendered external audits services in the last three (3) years.

**3.6.** Proposals must remain valid from the submission date. UMUHUZA will make its best effort to complete negotiations within this period. If the Proposal validity period of 30 days is extended, bidders have the right to withdraw their Proposals.

#### 4. EVALUATION CRITERIA

Proposals will be evaluated in two parts. The technical proposal shall bear 60% of the total marks while the financial proposal shall bear 40% of the total marks.

- Proposals should make clear about the relevant skills, experience and capacity of the participant, in respect of this particular TOR
- Proposals must contain the details of the proposed approach to be adopted in order to deliver the service in accordance with the TOR
- Proposals should clearly indicate whether or not bid participants have the capacity to meet the requirements of the TOR

#### Functionality evaluation criteria

No	Description	Weight
1	<b>Experience, Skills and Ability of Service Provider</b> <ul style="list-style-type: none"><li>• Past experience in similar work of this nature</li><li>• Team member experience( accompanied by brief CV's)</li><li>• Bidders 'track record</li><li>• Ability of the bidder to fulfill the UMUHUZA's requirements</li></ul>	30
	<b>Technical Approach and Execution Plan</b> <ul style="list-style-type: none"><li>• Proposals must contain the details of the proposed approach to be adopted in order to deliver the service in accordance with the TOR</li></ul>	20
	<b>Project management</b> <ul style="list-style-type: none"><li>• Bidder must allocate a project manager for this project;</li><li>• The proposal should contain a work plan, showing tasks, timelines;</li><li>• Did the bidder give, submit clear proposed project timelines</li></ul>	15

	<p>for this project;</p> <ul style="list-style-type: none"> <li>• Does the project plan cater for risk management associated with this project and mitigation strategy?</li> <li>• Project management and turn around management (Ability to Deliver on Time).</li> </ul>	
	<p><b>References</b></p> <ul style="list-style-type: none"> <li>• Did the bidder submit at least three relevant and contactable clients that were serviced in the past 12 months</li> </ul>	10
	<p><b>Capacity</b></p> <p>É Proposals should clearly indicate whether or not bid participants have the <b>capacity</b> to meet the requirements of the TOR</p>	25

Bidders are required to score a minimum of 65% points on functionality to qualify to be evaluated in the next level (price). Bidders who do not score the minimum of 65% points on functionality will be disqualified and not be evaluated on price.

## 5. PAYMENT DETAILS

Payment will be in accordance with a detailed budget breakdown as submitted through the proposal, and invoices will be expected from the consultant prior to payment.

## 6. SUBMISSIONS

Applications/submission should be addressed to the: KAYITESI Mathilde UMUHUZA  
Executive Secretary

If interested in the above mentioned opportunity, please submit your application including the technical, financial offers and CV to UMUHUZA office located at Kacyiru, near to MINAGRI or contact email: umuhuza\_organisation@yahoo.com, phone: 280539555