

REQUEST FOR PROPOSAL – RFP

Title:	Organization Annual Audit for year 2024
RFP Number:	ACDO- RFP # 05-2024
Organization:	Asia Community Development Organization (ACDO)
Issue Date:	December 15, 2024
Submission Deadline:	December 31, 2024 at 3:00PM
Contact Information:	procurement@acdo-af.org ,
Location:	House # 14, Street # 06, (Shirpoor), PD 10, Kabul-Afghanistan

1. Introduction and Background

Asia Community Development Organization – ACDO is a prominent Afghan non-governmental humanitarian organization, established in 2014 with a mission in mind to deliver humanitarian and developmental assistance to vulnerable, at-risk, and underserved populations across the country. With a strong operational framework, ACDO maintains 15 regional and provincial offices strategically located throughout Afghanistan. We are currently implementing eight ongoing projects that focus on critical areas such as education, food security and livelihoods, protection, WASH and Infrastructures. Our dedicated workforce comprises 3,643 staff members, of which 47.7% are women, reflecting our commitment to gender inclusivity in all aspects of our operations. In 2024, ACDO has secured a budget of 6 million USD from UNICEF, UNESCO, AHF, UNDP, AKF, and CWW. This funding supports our initiatives aimed at enhancing community resilience and improving access to essential services.

ACDO's approach is rooted in transparency and efficiency as we strive to respond effectively to the needs of marginalized communities in both rural and urban settings. Our commitment to empowering women is central to our operations; we actively facilitate their participation in civic life and decision-making processes. We engage closely with local bodies such as CDCs and DDAs to ensure community ownership of our projects. By fostering collaboration with relevant ministries and stakeholders at both national and subnational levels, we enhance the sustainability of our interventions. Despite the challenging circumstances in Afghanistan over the past seven years, ACDO has successfully delivered humanitarian and development assistance across several provinces. As we look to the future, ACDO remains committed to expanding its reach and impact throughout Afghanistan.

2. Purpose of the RFP

2.1 Objective: Conduct a financial audit of ACDO's fiscal year 2024 (January 2024 – December 2024).

2.2 Target Firm: An Internationally Recognized National or International Consulting audit firm.

2.3 Compliance Standards: The audit will be conducted in accordance with International Standards on Auditing (ISA), as issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants. The scope includes, but is not limited to, compliance with ISA 800 (Special Purpose Audit Engagements) and addresses the following key aspects:

2.4 Scope of Work: Verify financial records, evaluate control systems, and propose actionable recommendations.

2.4.1 Verification that funds have been used in accordance with the terms and conditions of the grant agreements.

2.4.2 Assessment of project financial reports for agreements with underlying books of accounts.

2.4.3 Evaluation of procurement practices for goods and services.

2.4.4 Review of allocation of common costs and examination of supporting documents for all project activities.

2.4.5 Verification of revenues and income generated through the projects.

2.4.6 Comments and observations on the accounting records, systems, and controls examined during the audit; and

2.4.7 Must be carried out by an independent Chartered/Certified Accountant.

3. Audit Scope

3.1 Annual Budget: USD 6 million.

3.2 Expenditures: USD 5.6 million.

3.3 Coverage:

3.3.1 Review all financial transactions and accounting records.

3.3.2 Evaluate the internal control system.

3.3.3 Examine compliance with financial policies and donor requirements.

4. Key Deliverables:

4.1 Management Letter detailing findings and observations

4.2 Management Response integration and follow up.

4.3 Completed comprehensive audit report.

4.4 Improvement Plan to strengthen financial controls and improve transparency for 2025.

5. Qualifications and Requirements

5.1 Audit Firm Credentials:

- 5.1.1 Internationally recognized qualifications (Certified Public Accountant/ Authorized Public Accountant).
- 5.1.2 Experience with NGOs or organizations of similar size and complexity.
- 5.1.3 Having professional auditors to be assigned to the engagement and quality of the firm's management support personnel available for technical consultation adequate
- 5.1.4 Proven track record in conducting audits under IFRSs/GAAP standards.
- 5.1.5 Familiar with UNICEF, UNDP, AHF, UNESCO and AKF financial and audit standards.

5.2 Personnel Requirements:

- 5.2.1 Qualified auditors with relevant expertise in auditing non-profit organizations.
- 5.2.2 Familiarity with donor compliance and reporting requirements.

6. Methodology

6.1 Phases of Audit:

- 6.1.1 Planning: Understanding ACDO's financial systems and processes.
- 6.1.2 Fieldwork: Detailed examination of financial records and processes.
- 6.1.3 Analysis: Evaluation of findings against compliance standards.
- 6.1.4 Reporting: Preparation and submission of a comprehensive audit report.
- 6.1.5 Improvement: Providing of comprehensive improvement plan for 2025.

6.2 Approach:

- 6.2.1 Conduct a risk-based audit focusing on critical areas.
- 6.2.2 Ensure transparent and objective evaluation of records.

6.3 Engagement:

- 6.3.1 Coordination with ACDO's finance and program teams.
- 6.3.2 Regular updates and consultation throughout the audit process.

7. Expected Outcomes

7.1 Audit Report:

- 7.1.1 Management Letter detailing findings and observations
- 7.1.2 Management Response integration and follow up.
- 7.1.3 Completed comprehensive audit report.

7.2 Recommendations:

- 7.2.1 Enhance financial transparency and accountability.
- 7.2.2 Strengthen internal control mechanisms.
- 7.2.3 Improvement Plan for 2025.

8. Timeline

- 8.1 Start Date: 5th January 2025

8.2 Completion Date: 20th February 2025

8.3 Final Deliverable: Submission of the audit report by January 26th, 2025.

9. Evaluation Criteria

9.1 **Technical Capacity:** Experience in I/NGO audits, compliance with standards, and understanding of financial management challenges in non-profit organizations.

9.2 **Proposed Methodology:** Clear and effective approach to conducting the audit.

9.3 **Cost:** Competitive and justified financial proposal.

9.4 **Delivery Timeline:** Adherence to the proposed schedule.

9.5 **Scoring Criteria:**

9.5.1 Technical Proposal: 50%

9.5.2 Financial Proposal: 30%

9.5.3 Delivery Timeline: 10%

9.5.4 References: 10%

9.6 **Evaluation Panel:** Proposals will be reviewed by an internal committee.

10. Submission Requirements

10.1 **Technical Proposal:** Detailing qualifications, methodology, and previous experience.

10.2 **Financial Proposal:** Breakdown of costs, including professional fees and other expenses.

10.3 **Supporting Documents:**

- a. Registration certificates,
- b. Company Profile.
- b. List previous client and references,
- c. Resumes of key personnel and assigned auditors
- d. Tax clearance form for (Year-1402).
- f. Firm official bank account details
- g. Work Plan/time line

11. Compliance

11.1 The audit firm must adhere to ACDO's policies on confidentiality and professional ethics.

11.2 Reports and findings to be treated with the utmost integrity and impartiality.

12. Terms and Conditions

12.1 **Payment Terms:**

12.2 **Contract Type:**

12.3 **Confidentiality:** Consultant should respect the confidentiality of the RFP process, ACDO documents, records and procedures.

12.4 **Right to Accept/Reject:** ACDO reserves the right to accept or reject any proposal.

12.5 **Penalties:** Penalties on late delivery or substandard performance. Also, breaching confidentiality agreement will lead to penalties.

13. Submission: Interested firms should submit the seal proposal to ACDO Main office at House # 14, Street # 06, (Shirpoor), PD 10, Kabul-Afghanistan by December 31, 2024 – 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.