**ADRA UGANDA**

# TENDER

# FOR THE
# PROCUREMENT OF CONSULTANCY
# SERVICES FOR SYSTEMS AUDIT.

**Procurement Reference Number: ADRA-CORE FUNDING/SRVCS/2023/072**

**Date of Issue: 24/01/2023.**

Standard Request for Proposals Document

## Contents

# Standard Invitation to Consultants.

1. ADRA Uganda has allocated funds to be used for the acquisition of services of a consultant for the System Audit.

2. The Entity invites sealed proposals for the provision of the above services.

3. Proposals must be delivered by e-mail to the address indicated in this tender document before **3rd February 2023** at 16:00 hours (EAT). The Proposals will be opened internally, and the bidder will not be required to attend the bid opening.

# Section 1: Instructions to Consultants.

Procurement Reference Number: **ADRA-CORE FUNDING/SRVCS/2023/072**

Preparation of Proposals: You are requested to submit separate technical Parts of the request for quotation plan as detailed below.

You are advised to carefully read the complete Request for quotation, including the Special Conditions of Contract in Part 3: Contract, before preparing your proposal.

Submission of Proposals: The System Audit proposal should be submitted to the address below, no later than the date and time of the deadline below. Any proposal received by the Procuring and Disposing Entity after the deadline for submission of proposals shall be declared late, rejected, and returned to the Consultant.

Date of deadline:           3rd February 2023.

Time of deadline:        16:00 hours (*East Africa Time*)

Address: plm@adrauganda.org and tenders@adrauganda.org

Evaluation of System Audit Proposals: The evaluation of Proposals will use the methodology as detailed below:

1.  Preliminary examination to determine eligibility (as defined below) and administrative compliance to this Request for Proposals on a pass/fail basis;
2.  Detailed evaluation
3.  Financial comparison to determine the value of money.

Proposals failing any stage will be eliminated and not considered in subsequent stages.

Eligibility Criteria: You are required to meet the following criteria to be eligible to participate in public procurement:

1.  Must have the legal capacity to enter into a contract;

2.  Not be insolvent, in receivership, bankrupt or being wound up or subject to legal proceedings for any of these circumstances;

3.  Evidence of tax compliance and social security contributions;

4.  No conflict of interest in relation to this procurement requirement;

5.  Sharing profile of whom they have worked for including evidence of previous contracts indicating similar areas of experience;

6.  Anti-terrorist clearance

8.  Profile(s) of key personnel who will work on the assignment.

9.  Time frame of finishing the assignment.

Currency:  System Audit Proposals may be priced in Uganda Shillings or any other freely convertible currency and in up to two currencies. The currency of evaluation will be Uganda Shillings. Proposals in other currencies will be converted to this currency for evaluation purposes only, using the exchange rates published by the Bank of Uganda on the date of the submission deadline.

<u>Best Evaluated Bid</u>: The best-evaluated bid shall be recommended for the award the of contract.

<u>Right to Reject</u>: The Procuring and Disposing Entity reserves the right to accept or reject any proposal or to cancel the procurement process and reject all proposals at any time prior to contract signature and issue by the Procuring and Disposing Entity, without incurring any liability to Consultants.

# Part 2: Statement of Requirements

### Terms of Reference

Procurement Reference Number:      **ADRA-CORE FUNDING/SRVCS/2023/072**

### PROVISION OF SERVICES OF CONSULTANCY FOR A SYSTEM BASED AUDIT.

1.  **Background.**

> **ADRA Uganda.**

a) ADRA Uganda is desirous of Conducting a System Based Audit (SBA) as part of the Core Support Initiative Programme in partnership with ADRA Sweden aimed at enhancing ADRA Uganda's organizational capacity.

# System-Based Audit for ADRA Uganda
# Term of Reference

## 1.  Background

The Adventist Development and Relief Agency (ADRA) Uganda  is a humanitarian organization of the Seventh-day Adventist Church that demonstrates God's love and compassion. ADRA Uganda is a professional learning and efficient network that embodies integrity and transparency.

ADRA reaches across boundaries, empowering and speaking out for the at-risk and forgotten, to achieve measurable, documented, and durable changes in lives and society. Since 1987, ADRA Uganda has been actively implementing programs in Education, Food Security & Livelihood, Economic Development, Health and Emergency Management.

ADRA Uganda's programs are operated from Karamoja, Acholi sub-region, West Nile and Western Uganda.

ADRA Uganda would like to conduct a System Based Audit (SBA) with funding from the Swedish government through ADRA Sweden. The SBA is an activity which is part of the Core Support Initiative Programme (CSIP) is aimed at enhancing ADRA Uganda's organizational capacity.

This audit is to be conducted as an independent and systematic examination of the management controls within the organization, to assess its current level of operational efficiency and institutional capacity. The audit shall verify the organization's operating policy, procedures, processes, and routines used to achieve its strategic objectives and expected or intended results. It is also expected that the audit will help to identify the

organization's level of development, its strengths, weaknesses threats, and opportunities; and to recommend measures that should be taken to further institutional development. Generally, it is expected that the System Based Audit will conduct a SWOT (Strengths, Weaknesses, Opportunities & Threats) analysis of the organization and recommend how the organization's capacity can be enhanced.

**ADRA's Purpose Statement**: *To serve humanity so all may live as God intended*.

## 2. Audit scope

**The objectives of this audit are to:**

a) **Assess the current situation of the organization's governance (policies and procedures) and whether they provide enabling environment management to accomplish their development goals and objectives.**

b) **Assess the internal control system set up under which ADRA Uganda operates, for the delivery of efficient and effective operations; and determine their suitability for efficient operation and sustainable business development. Furthermore;**

   o Review the organization's compliance with applicable laws/agreement terms/regulations that are set by government, donors, National tax authority, labour Ministry etc.

   o Review the routines for follow-up and the management of findings/comments in audit reports.

   o Assess the organization's work with internal control and compliance and identify important weaknesses.

c) **Review the Financial System;**

   o Review ADRA Uganda's financial management (accounting, reporting etc.)

   o Review ADRA Uganda's following up of comments/shortcomings noted during the ADMIN/Project audit to the management letter.

   o Review ADRA Uganda's system of applying for funds and control regarding use of funds when it comes to multiple donors.

   o Review the system when staff's time are apportioned to different projects

   o Review the Organization's system of budgeting, monitoring and reporting as an entity (Consolidated budget and financial statement)

   o Review the system for making changes in the approved budget.

   o Review the system of management of payment and refund of advances to staff.

   o Assess the quality of the financial and that of the procurement policy.

d) **Assess the organization's systems regarding delegation of authority and segregation of duties and identify key areas of improvement required for attaining the organizational development goals and or objectives.**

e) **Evaluate the organizations operating policies and procedures, and test compliance so as to determine their actual implementation or functionality.**

f) **Assess the efficiency of the organizational processes and identify areas of improvement for operational efficiency.**

g) **Assess whether the organization's operations are aligned with its Strategic Plan and Country's Strategic Development Goals as well as the global humanitarian aid trends with clear reporting internal and external reporting on the outcomes of the organization's operations.**

h) **Evaluate the organization's overall planning, monitoring, and evaluation of its reporting processes and procedures.**

   o Assess if the ADRA Uganda's Country and Program Strategic Plans are linked to its Purpose Statement.

   o Review if the ADMIN budget is linked to the Country or Program Strategic Plan.

   o Review ADRA Uganda's system for overall Planning, Monitoring and Evaluation.

   o Review the ADRA Uganda annual report describing the development with the organization in a way that is comparable to the different goals that is set in the organization's annual operational plan.

   o Assess ADRA Uganda's system for planning, monitoring and reporting and identify important weaknesses.

   o Review ADRA Uganda Networking and partnership processes and strategy

i) **Review the anti-corruption system and risk management.**

   o Review ADRA Uganda's whistle blowing system

   o Review ADRA Uganda's documentation of detecting and preventing corruption and minimizing risks of corruption.

   o Review ADRA Uganda's documentation of risk and risk management

   o Assess ADRA Uganda's policies, work and management with corruption and risk and identify important weaknesses.

j) **Assess Information Technology (IT) risk exposures and evaluate their existing controls. Furthermore;**

   o Review ADRA Uganda's system for back-up, archive and safeguarding of accounting records, and other important documents (agreements, program reports, staff contracts etc).

   o Assess the organizational system and work with back-up, archive and safeguarding of documents etc and identify important weaknesses.

k) **Assess the Human Resources Management and identify important weaknesses;**

   o Review the HR Policy if it includes procedure for review of salaries and benefits; procedure for capacity building of staff; recruitment of new staff; working environment (ensuring a healthy work environment)

   o Review routines for staff attendances/Leave records/time reporting.

   o Review if ADRA Uganda has a Code of Conduct (CoC) and if it prohibits staff from using organizational resources (funds, supplies, assets etc) for personal

gain, or be involved in irregularities and corruption with funds from the organization or in its name as well as Sexual Exploitation Abuse and Harassment (SEAH), threats or violence when representing the organization in any circumstance.

l) **Some sample areas of testing:**

- Is the institutional operational plan including the expected goals/results clear to all members of staff, management, and the board?

- Are the organizational policy documents and structure regularly reviewed collectively and with transparency (e.g., annual review meetings, etc.) so as to identify key areas of improvement in the organizational governance and management?

- Are implemented policies working as intended?

- To what extent has ADRA Uganda managed to introduce and use OM (Outcome Mapping) in its project management and result system?

**Further Examples:**

o Are the controls working and promoting an efficient operation of the office?

o How long does it take from the submission of the order to the procurement team until the completion of the tender process?

o How long does it take to prepare the financial report of the project?

o How long does it take for the administration to process and implement the field officers' request for payment, procurement, and confirmation invoice payment**?**

- **Internal Control System Review:**

o How is Petty Cash at the Field Offices managed and or controlled?

o Have contracts been awarded in compliance with applicable rules & policies and in accordance with the principles of economy, efficiency, transparency, and fairness?

o Are the procurement processes effectively and efficiently supporting the project deliverables?

The auditor adapts the scope of his review of the design and operation of the internal control system based on his prior knowledge and experience. **The audit needs to cover the above areas but is not limited to these if additional checks are needed to ensure the efficient operation of the organization.**

### 3. Reporting Guideline for Deliverables

o The draft report, included attached assessment sheet, along with an Executive Summary will be emailed by the Consultant to ADRA Uganda, to get their feedback before finalization of the report on this System Based Audit.

o ADRA Uganda's management response shall respond to all findings and recommendations made by the Consultant. The response shall be merged in the respective parts of the final Systems Based Audit report.

- The final report shall be sent by the Consultant both as digital and hard copies. Language of the reports shall be in English.
- ADRA Uganda shall present management response and action plan based on the findings and recommendations made by the Consultant.
- Electronic copy of the final report will be sent to cd@adrauganda.org; frankkiggundu2009@yahoo.com Two sets of hard copy of the report will be submitted to ADRA Uganda.

## 4. Roles and Responsibilities
    a. ADRA Uganda Board, Management and staff
        I. Will commit time to this exercise.
        II. Facilitate introductions and connections to key stakeholders for the consultant as necessary.
        III. Facilitate meetings and individual interviews.
        IV. Grant access to necessary organizational documents
    b. Consultant
        I. Submit work and time table for the assignment – including clearly started reporting deadlines for the various stages of assignment.
        II. Timely requesting for documents and needed logistical support.
        III. Timely notification for the group discussions/meetings and required attendees.
        IV. Meet agreed deadlines and deliverables.

## 5. Expertise
## 5.1 Academic qualifications
- At least Master's degree in Accounting, Economic, Business Administration, Auditing, Finance and other related field.
- Strong Organizational and management skills.
- Strong project management skills
- Strong leadership skills and able to coordinate multiple stakeholders.
- Leadership and Change management.
- Experience with reporting, monitoring and evaluation skills.

## 5.2 Experience
- Extensive experience in Organizational capacity assessment and Capacity Development Plan.
- Extensive experience in carrying out Organizational capacity assessment using variety of sources and techniques evidence based.
- Ability to communicate technical information to a non-technical audience.
- Ability to work as a team member and collaborate with others

## 5.3 Skills and Competencies
- Ability to work with minimal supervision
- High level written and oral communications skills in English.
- Must be results oriented, a team player, exhibiting high levels of enthusiasm, tact and integrity
- Evidence of having undertaken similar assignments
- Experience in research, policy development, management and programming related work.

## 6. Application Process:

Interested and qualified Consultant/ Firm should submit their applications which should include the following:
- o Detailed Curriculum Vitae
- o Academic qualification certificates
- o Past experience certificates if any
- o Technical proposal for implementing including time schedule for the assignment
- o Financial proposal for the assignment.

Please quote **"SYSTEM BASED AUDIT"** for ADRA Uganda on the subject line, and either deliver your proposal by e-mail addressed to: plm@adrauganda.org and copied to tenders@adrauganda.org or hard copies in a sealed envelope should reach ADRA Uganda office located at Kabaka Road, Kireka Zone "D" next to the Kabaka's residence.