

Request for Proposals (RFP)

RFP Number: ICTEC-2022-004

Issuance Date: 13.04.2022

Deadline for Offers: 29.04.2022, 15:00 Chisinau time

Description: Request for Proposals for Audit Services of the Financial Statements of the National Association of ICT Companies (ATIC) for the 2021 Fiscal Year as per USAID requirements

For: Moldova ICT Excellence Center Project (ICTEC)

Funded By: United States Agency for International Development (USAID) and Government of Sweden, Contract No. AID-117-A-15-00002

Issued By: National Association of ICT Companies (ATIC)

Point of Contact: llivadari@ict.md - Liuba Livadari, Procurement Consultant
contabil@ict.md – Violeta Bordeniuc, Financial Manager

SECTION 1: INTRODUCTION AND INSTRUCTIONS TO OFFERORS

1.1 Acronyms and Definitions

ATIC	National Association of ICT Companies
ADS	USAID Automated Directives System
CFR	United States Code of Federal Regulations
Cooperating Country	Moldova
OIG	Office of Inspector General
RFP	Request for Proposals
US	United States
USAID	United States Agency for International Development
USG	United States Government
VAT	Value Added Tax

1.2 Introduction

The National Association of ICT Companies (ATIC) is soliciting proposals from eligible and responsible firms to perform the audit of ATIC Financial Statements as described in the Annex 1 – Terms of Reference and Annex 2 - USAID Financial Audit Guide for Foreign Organizations.

1.3 Questions and Requests for Clarifications

Questions regarding the technical or administrative requirements of this RFP may be submitted no later than April 26, 15:00 Chisinau time by email to llivadari@ict.md, cc contabil@ict.md. Questions must be submitted in writing; phone calls will not be accepted. Questions and requests for clarification—and the responses thereto—that ATIC believes may be of interest to other offerors will be circulated to all RFP recipients who have indicated an interest in bidding.

Only the written answers issued by ATIC will be considered official and carry weight in the RFP process and subsequent evaluation. Any verbal information received from employees of ATIC or any other entity should not be considered as an official response to any questions regarding this RFP.

1.4 Offer Deadline

Offers must be submitted **not later than April 29, 2022, 15:00, Chisinau time.**

Offers received after the specified time and date will be considered late and will NOT be evaluated by ATIC.

1.5 Protocol for Submission of Offers

Electronic Submission Only:

The only acceptable submission method is electronic – via email.

Any email offers must be sent to the following address:

to: llivadari@ict.md - Liuba Livadari, Procurement Consultant

cc: contabil@ict.md – Violeta Bordeniuc, Financial Manager

Offers must be submitted in two (2) separate.pdf format files corresponding to the:

- 1) Technical Proposal (Forms A-E and other mandatory documents required by this solicitation documents). There may be one or several PDF files with relevant names
- 2) Financial Proposal (should be password-protected). ATIC will request the password if the proposal is deemed technically compliant. Any submission of the financial proposal that is not password-protected will be disqualified. Also, any submission of the financial proposal together with the password will be disqualified.

All offers must be prepared in one of the 3 languages: English, Romanian or Russian.

1.5.1 Technical and Cost Volume

1.5.1 Technical Volume

The Technical Volume should describe in detail the offeror's proposed plan for providing the services described in the technical specifications found in Annex 1 – Terms of Reference. It should demonstrate a clear understanding of the work to be undertaken and the responsibilities of all parties involved. The plan should include details on equipment, personnel, and subcontractors that the offeror will make available to carry out the required activities. The plan should also provide details on the anticipated delivery schedule, including an estimated completion date.

At a minimum, the Technical Volume must contain the following required completed documents:

- Application form (FORM A)
- Letter of Transmittal (see FORM B)
- Certificate of Independent Price Determination (see FORM C)
- Certification Regarding Responsibility Matters (see FORM D)
- Evidence of Responsibility Statement (see FORM E)
- Copy of official registration and business license, membership country's public accounting organization (PAO) (also for subcontractors – if any)
- Bank Account Award Certificate - copy - issued by the bank holding the account;
- Certificate of regular payment of taxes - copy - or certificate issued by the Tax Inspectorate on double taxation records;
- Company profile
- Past performance information:
 - *List of audit assignments completed within the last 3 years, ongoing assignments to be mentioned separately, if any (provide beneficiary, year), including audit services performed for USAID funded projects;*
 - *2 reference letters from the last 3 years*
- Staffing capacity to perform the proposed services, describing in particular the experience with the audit of NGOs, international Organizations, donor funded projects, etc. CVs and qualification of audit team planned to be assigned. CVs should include details on audits carried out by the applicable staff, including ongoing assignments indicating capability and capacity to undertake the audit. Auditor's qualification certificates to be attached;
- Description of proposed services with a clear timeline

FORMS A-E – attached word file to this RFP.

Subcontracting arrangements: If the execution of services to be performed by the offeror requires the hiring of subcontractors, the proposal must clearly identify the subcontractor(s), contact information of subcontractor(s), and the work they will perform. ATIC will not refuse a proposal based upon the use of subcontractors; however, ATIC retains the right to approve or reject the specific subcontractors selected.

All electronic copies of documents in the Technical Volume must be in PDF format.

The information contained in the Technical Volume should not contain any cost- or price-related information otherwise it will be rejected by ATIC.

1.5.2 Cost Volume

Taking into consideration the complexity of the work, the cost proposal is used to determine which proposals represent the best value and serves as a basis of negotiation before award of a contract.

It should offer a clear understanding upon the amount of work, different types of activities/deliverables and types of cost (if applicable) but offer a **fixed price** for the assignment taking into account all details.

If relevant, the cost proposal shall also include a budget narrative that explains the basis for the estimate of every cost element or line item. Supporting information must be provided in sufficient detail to allow for a complete analysis of each cost element or line item. ATIC reserves the right to request additional cost information if the evaluation committee has concerns of the reasonableness, realism, or completeness of an offeror's proposed cost.

The agreement under which this procurement is financed does not permit the financing of any taxes, VAT, tariffs, duties, or other levies imposed by any laws in effect in the Cooperating Country. No such Cooperating Country taxes, charges, tariffs, duties or levies will be paid under an order resulting from this RFP.

Currency of Proposal: Financial offers must be presented in **USD** only. No other currencies accepted.

Format of Financial Proposal: In formulating its financial proposal, the offeror should be guided by the **FORM F** (attached word file).

Partial Quotes: not allowed.

1.6 Validity Period

Offers must remain valid for at least **60 calendar days** after the offer deadline.

1.7 Eligibility of Offerors

By submitting an offer in response to this RFP, the offeror certifies that it and its principal officers are not debarred, suspended, or otherwise considered ineligible for an award. ATIC will not award a contract to any firm that is debarred, suspended, or considered to be ineligible.

Offeror's minimum professional qualification criteria:

- Audit firm meets ability to produce reports in English.
- Audit firm has sufficient quality control program in place that meets the GAGAS quality control and external peer review standards.
- Audit firm has received a passing quality control review within three years.
- Audit firm is a good standing member of the AICPA or the country's public accounting organization (PAO), which complies with the statements of membership obligations of IFAC, or another internationally recognized standard setting body.

Other Requirements:

- experience in applying the EU Auditing Standards (preferred)
- auditors' linguistic skills: advanced knowledge of English (both written and oral). Knowledge of Romanian would be a plus. A team member knowing Romanian would be considered a plus, as besides English, many documents (contracts/payment and supporting documents) are concluded in Romanian. In case no team members know Romanian language, the audit company should cover translation costs.

Only one Offer allowed

The Offeror (including the Lead Entity on behalf of the individual parties of any Joint Venture/ Consortium/ Association) shall submit only one Offer, either in its own name or, if a joint venture/Consortium/Association, as the lead entity of such Joint Venture/Consortium/Association. Offers submitted by two (2) or more Offerors shall all be rejected if they are found to have any of the following:

- a) they have at least one controlling partner, director or shareholder in common; or
- b) they have the same legal representative for purposes of this RFP;
- c) any one of them receive or have received any direct or indirect subsidy from the other/s; or
- d) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about, or influence on the Offer of, another Offeror regarding this RFQ process;
- e) they are subcontractors to each other's Offer, or a subcontractor to one Offer also submits another Bid under its name as lead Bidder; or
- f) some key specialists proposed to be in the team of one Offeror participates in more than one Offeror received for this RFP process. This condition relating to the specialists, does not apply to subcontractors being included in more than one Offer.

1.8 Evaluation and Basis for Award

An award will be made to the offeror whose proposal is determined to be responsive to this solicitation document, meets the eligibility criteria stated in this RFP, meets the technical, management/personnel, and corporate capability requirements, and is determined to represent the best value to ATIC. Best value will be decided using the trade-off process.

This RFP will use the trade-off process to determine best value. That means that each proposal will be evaluated and scored against the evaluation criteria and evaluation sub-criteria, which are stated in the table below. Cost proposals are not assigned points, but for overall evaluation purposes of this RFP, technical evaluation factors other than cost, when combined, are considered approximately equal to cost factors. If technical scores are determined to be equal or nearly equal, cost will become the determining factor.

In evaluating proposals, ATIC will use the following evaluation criteria:

Evaluation Criteria	Evaluation Sub-criteria	Maximum points
	Technical offer (approach)	20 points
	Personnel Qualifications (at least 2 certified auditors within the assigned team with experience in auditing NGOs, international organizations, donor funded projects; 10 pts for the senior auditor; up to 5 pts for each of other auditors)	20 points
	Past performance information <i>-minimum 5 years of experience in audit: 5 years – 5 pts, 1 pts for each additional project – up to 5 additional pts; minimum 5 audited USAID funded projects: - 5 audited USAID funded projects - 5 pts; 1 pts for each additional project – up to 5 additional pts;)</i>	20 points 10 pts 10 pts
	Overall cost proposal provided	40 points minimum offer - 40 pts; Evaluated offer pts = (lowest offer \$ x 40 pts)/evaluated offer

Total Points – Technical and Cost Approach

100 points

ATIC will award a contract to the offeror whose proposal represents the best value to ATIC. ATIC may award to a higher priced offeror if a determination is made that the higher technical evaluation of that offeror merits the additional cost/price.

1.9 Negotiations

Best and final price quotations are requested from all offerors. It is anticipated that awards will be made solely based on these original quotations. However, ATIC reserves the right to conduct negotiations and/or request clarifications prior to awarding a contract.

1.10 Terms and Conditions of Contract

This is a Request for Proposals only. Issuance of this RFP does not in any way obligate ATIC or USAID to award a Contract, nor does it commit ATIC or USAID to pay for costs incurred in the preparation and submission of a proposal.

This solicitation is subject to the Draft Order Terms and Conditions detailed in Section 2. Any resultant award will be governed by these terms and conditions. ATIC reserves the right to make revisions to the content, order, and numbering of the provisions in the actual contract document prior to execution by ATIC and the selected awardee. Issuance of a contract award is subject to availability of sufficient funds.

SECTION 2. BACKGROUND, Statement of Work, DELIVERABLES AND DELIVERABLE SCHEDULE

2.1 Technical Specifications

ATIC is looking to contract one company to deliver services as stated in Annex 1 (Terms of Reference).

2.2 Delivery Requirements

The audit of documents may be performed physically in the office of ATIC: 9/11, Studentilor Str., Chisinau, Moldova (preferred variant) or remotely. The period of the audit shall be last up to 30 days. Documents verification should be planned for June 1-14, 2022.

The audit company shall provide the final version of the audit report both in hardcopy and electronic versions:

- Hardcopy Audit Report - in 4 (four) copies should be submitted to ATIC (9/11, Studentilor Str., Chisinau MD-2045, Moldova): 3 (three) hard copies in EN + 1 (one) hard copy in RO.
- Electronic audit report – to be submitted in the electronic format and way agreed with ATIC.

To make it easier for audit firms to comply with the USAID Financial Audit Guide for Foreign Organizations, the format and content of the audit reports must follow the illustrative reports in Chapter 5 of the Guide – Annex 2. As part of its response to this RFP, each offeror is expected to provide an **estimate (in calendar days)** of the delivery and execution timeframe (after receipt of order). The delivery estimate presented in an offer in response to this RFP must be upheld in the performance of any resulting contract.

The delivery estimate presented in any offers in response to this RFP must be honest, accurate, and upheld in the performance of any resulting contract or order.

2.3. Inspection and acceptance of Audit Work and the Report

The statement of work, audit program (including detailed audit steps), and the draft report will be subject to approval and acceptance by the ATIC and USAID.

2. SECTION 3: PAYMENT AND FINANCIAL OBLIGATIONS

3.1 CONTRACT PRICE

The Contractor shall complete all work (including furnishing all labor, material, , and services) required under this contract for the fixed price of TBD. This price shall include all shipping costs, administration costs, labor costs, materials, overhead, profit, and all other costs.

The Contractor will be paid the installment amounts listed under the column named "Payment Amount" only upon successful completion and acceptance by ATIC of all corresponding deliverables listed in the column named "Corresponding Deliverable Name."

3.2 PAYMENT TERMS

ATIC will pay the total price through a series of installment payments after Contractor's completion of the corresponding deliverables and ATIC' acceptance thereof. The Contractor may submit invoices for deliverables that have been accepted and approved by the authorized ATIC representative. ATIC will pay the Contractor's invoice within fifteen (15) days after the following conditions have been fulfilled:

- a) The deliverables have been accepted by ATIC
- b) the Audit report Contractor has delivered a proper invoice and

Payment will be made in USD, paid via wire transfer to the account specified in the Contractor's invoice. Payment of unpaid balances will be made upon completion and final acceptance of all works and deliverables by ATIC including final report acceptance by OIG. Any invoices for services rendered and deliverables submitted—but not accepted by ATIC—will not be paid until the Contractor makes sufficient revisions to the deliverables such that ATIC may approve the deliverables and thus the invoice.

3.3 INVOICE REQUIREMENTS

The Contractor shall present an invoice to ATIC only for services that have been accepted by ATIC. The invoice must be an original invoice, submitted to:

ATIC
Attention: Accountant Office
National Association of ICT Companies

To constitute a proper invoice, the Contractor's invoice must include the following information and/or attached documentation. This information will assist ATIC in making timely payments to the Contractor:

1. Contractor legal name, contract number, invoice date, and invoice number.
2. Deliverable(s) number, description of approved deliverable(s), and corresponding value.
3. Bank account information to which payment shall be sent.

3.4 COOPERATING COUNTRY FEES, TAXES, AND DUTIES

This contract is entered into by ATIC on behalf of the ICTEC Project, an official program of the Government of the United States in Republic of Moldova.

As such, this Contract is free and exempt from any taxes, VAT, tariffs, duties, or other levies imposed by the laws in effect in Republic of Moldova. The contractor shall not pay any host country taxes, VAT, tariffs, duties, levies, etc. from which this USAID program is exempt. In the event that any exempt charges are paid by the contractor, they will not be reimbursed to the contractor by ATIC. The contractor shall immediately notify ATIC if any such taxes are assessed against the contractor or its subcontractors at any tier.

The contractor is responsible for payment of all applicable taxes, as prescribed under the applicable laws, associated with wages/salaries/compensation for services rendered by individuals employed by the contractor and who are directed to work as required under this contract. The contractor is liable for

payment of all applicable taxes associated with revenues (profit), and other such taxes, fees, or dues for which contractor is normally responsible as a result of operating its business.

3.5 SET-OFF CLAUSE

ATIC reserves the right of set-off against amounts payable to contractor under this contract or any other agreement in the amount of any claim or refunds ATIC may have against the contractor.

4. ANTI-KICKBACK

(a) Definitions.

- *Kickback*, as used herein, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind, which is provided, directly or indirectly, to ATIC, the ICTEC project office or any of its employees, the contractor or contractor employees, or vendors in any way related to the performance or subsequent activities of this contract, for the purpose of improperly obtaining or rewarding favorable treatment in connection with this contract.
- *Person*, as used in this article, means a corporation, partnership, business association of any kind, trust, joint-stock company, or individual.
- *contractor employee*, as used in this article, means any officer, partner, employee, or agent of the contractor.

(b) The contractor and its employees, whether directly or indirectly engaged in the performance of this contract, agree to abide by the terms of The United States Anti-Kickback Act of 1986, which prohibits any person from providing or attempting to provide any kickback; soliciting, accepting, or attempting to accept any kickback; or including, directly or indirectly, the amount of any kickback in the contract price charged by the contractor to ATIC.

When the contractor has reasonable grounds to believe that a violation described in paragraph (b) of this provision may have occurred, the contractor shall promptly report in writing the possible violation. Such reports shall be made to ATIC, who shall forward the report to the USAID Inspector General for investigation, as required.

The contractor agrees to cooperate fully with any United States Government agency investigating a possible violation described in paragraph (b) of this article.

ATIC may offset the amount of the kickback against any monies owed by ATIC under this fixed price contract or order the monies withheld from future payments due the contractor.

The contractor agrees to include the substance of this article in any contract it may issue under this contract.

5. TERRORIST FINANCING PROHIBITION

The contractor (including its employees, consultants, and agents) by entering into this contract certifies that it does not engage, support or finance individuals and/or organizations associated with terrorism. The Contractor is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. A list of entities and individuals subject to restrictions, prohibitions and sanctions can be found at the web site of the Department of Treasury's Office of Foreign Assets Control (OFAC), at <http://treasury.gov/ofac>. It is the legal responsibility of the contractor to ensure compliance with the Executive Order 13224 and other U.S. laws prohibiting terrorist financing. This provision must be included in all subcontracts or subawards issued under this contract.

6. ELIGIBILITY OF SUBCONTRACTORS

In accordance with Federal Acquisition Regulation (FAR) Clause 52.209-6, "Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for

Debarment,” (SEP 2006), no commodities, software, goods, materials, or services shall be eligible for USAID financing or reimbursement under this contract if provided by a subcontractor or supplier (or a subcontractors’ or suppliers’ principle) that is debarred, suspended, or proposed for debarment by USAID or the USG. This applies to the Contractor and the Contractor’s subcontractors and suppliers as well.

7. COMPLIANCE WITH APPLICABLE LAWS AND STANDARDS

The contractor shall perform all work, and comply in all respects, with applicable laws, ordinances, codes, regulations, and other authoritative rules of the United States and Moldova and its political subdivisions and with the standards of relevant licensing boards and professional associations. The contractor shall also comply with the applicable USAID regulations governing this contract, which are incorporated by reference into this contract, Clauses Incorporated by Reference.

8. INDEMNITY AND CONTRACTOR WAIVER OF BENEFITS

- A. The contractor waives any additional benefits and agrees to indemnify and save harmless ATIC, USAID, their officers, directors, agents, and employees from and against any and all claims and liability, loss, expenses, suits, damages, judgments, demands, and costs (including reasonable legal and professional fees and expenses) arising out of:
- (1) the acts or omissions of contractor, its employees, officers, directors, agents or its subcontractors;
 - (2) injury or death to persons, including officers, directors, employees, agents and subcontractors of contractor, or loss of or damage to property, or fines and penalties which may result, in whole or in part, by reason of the buying, selling, distribution, or use of any of the goods or services purchased or provided under this Contract except to the extent that such damage is due to the negligence of ATIC;
 - (3) the infringement or violation of any patent, copyright, trademark, service mark, trade secret, or other proprietary interest of any third party resulting from ATIC use, distribution, sale, sublicensing, or possession of the goods (including software and all forms of written materials) or services purchased or provided, as authorized hereunder, or from the use or possession of said goods or services by ATIC, USAID, as authorized hereunder; or false claims submitted by Contractor or its subcontractors under this Contract or as a result of a Contractor misrepresentation of fact or fraud by Subcontractor.
- B. Contractor shall defend and settle at its sole expense all suits or proceedings arising out of the foregoing, provided that Contractor has notice or is given prompt written notice of such claim or suit and, further, that Contractor shall be given necessary information, reasonable assistance and the authority to defend such claim or suit. Contractor shall not settle, compromise or discharge any pending or threatened suit, claim or litigation, arising out of, based upon, or in any way related to the subject matter of this Contract and to which ATIC is or may reasonably be expected to be a party, unless and until Contractor has obtained a written agreement, approved by ATIC (which shall not be unreasonably withheld) and executed by each party to such proposed settlement, compromise or discharge, releasing ATIC from any and all liability.
- C. If any of the goods or services provided by Contractor hereunder, including without limitation software and all forms of written materials, become the subject of a claim of infringement or violation of a third party's intellectual property, privacy and/or proprietary rights, Contractor shall, at its own expense, use its best efforts—
- (1) to procure for ATIC the right to continue use and, if authorized under this Contract, distribution of the infringing goods or services or,
 - (2) to modify the goods or services to make them non-infringing, or to replace them with equivalent, non-infringing counterparts.

If none of the above-mentioned can be successfully implemented, then Contractor shall refund to ATIC all monies paid to the Contractor for the infringing services.

9. INTELLECTUAL PROPERTY RIGHTS

The ownership of all copyright and other intellectual property rights in respect of any data compilations, research, spreadsheets, graphs, reports, diagrams, designs, work products, software, or any other

documents, developed in connection with this Contract will exclusively vest in or remain with ATIC, which shall have all proprietary rights therein, notwithstanding that the Contractor or its employees may be the author of the intellectual property. All documents relating to the intellectual property or otherwise connected with this fixed price Contract, the services, or duties must be returned or delivered to ATIC at the time of the expiration or termination of the Contract. The Contractor agrees not to publish or make use of any of the intellectual property, or documents relating thereto, without the prior written approval of ATIC and proper attribution.

10. MODIFICATIONS

Modifications to the terms and conditions of this Contract, including any modification to the statement of work, may only be made by written agreement between authorized personnel of both Parties. Each Party shall give due notice and consideration to any proposals for modification made by the other Party.

11. CHANGES

If any such change(s) causes an increase or a decrease in the cost, or the time required for the performance, or any part of the work under the Contract, an equitable adjustment shall be made in the Contract price or delivery schedule, or both, and the Contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this Contract must be asserted within 30 (thirty) days from the date of receipt by the Contractor of the modification or change.

12. ASSIGNMENT AND DELEGATION

This Contract may not be assigned or delegated, in whole or in part, by the Contractor without the written consent of ATIC. Absent such written consent, any assignment is void.

13. TERMINATION

In the event that the Contractor fails to make progress so as to endanger performance of this Contract, or is unable to fulfill the terms of this Contract by the completion date, the Contractor shall notify ATIC forthwith and ATIC shall have the right to summary termination of this contract upon written notice to the Contractor.

ANNEX 1: TERMS OF REFERENCE

Provision of Audit Services of the Financial Statements of the National Association of ICT Companies (ATIC) for the 2021 Fiscal Year (January 1 - December 31, 2021) as per USAID requirements

BACKGROUND:

About ATIC

The National Association of ICT Companies (“ATIC”) is the organization uniting 87 companies. Umbrella Organization gathering over 9000 employees.

Being established in 2006, ATIC is the action leading association and the voice of the Moldovan ICT industry that promotes the development of the ICT sector in Republic of Moldova through viable partnerships between companies, similar organizations, government, state institutions and international organizations (via project implementation). The association was founded to represent the industry on different policy and legislative issues and to facilitate the exchange of best practices between members. ATIC mission is to protect and promote the Association members’ interests as well as facilitate a more favorable ICT business climate.

About Tekwill

The ICTEC Project started as a USAID program implemented by the National Association of ICT Companies (ATIC). In 2016, the Government of Sweden joined the program and expanded the operations and content programs of Tekwill. The project is implemented as a private-public partnership (through Global Development Alliances instrument (GDA)), between the Moldovan Government, private industry, academia and donors. The private partners include multinational companies, IBM and Microsoft, and also ATIC members that are local (operated) ICT companies. The private partners bring significant new resources, ideas, software, technologies and development activities, such as trainings, practical assignments, and mentorship. The private sector partners will have the chance to use the center to communicate with the university, SMEs, startups, professionals and contribute to the curricula improvement answering the market needs, as well as the improvement of the IT and entrepreneurship ecosystem that will lead to the economic growth of the country. The Government of Moldova supports this project at the highest level of the Prime Minister, and the partners include Ministry of ICT, Ministry of Education, and E-Government Center.

Specific background:

On August 24, 2015, the U.S. Agency for International Development (USAID), Mission for Ukraine, Moldova, Belarus Cyprus (mission) approved the Moldovan ICT Excellence Center (ICTEC) Project (project) with award number AID-117-A-15-00002 (CA), which provided US\$ 2,000,000.00 in grants funds to ATIC (recipient) for development of a fully functional ICT Excellence Center both physical setup and content development during August 24, 2015 to August 23, 2018. As per clause A4. *Cooperative Agreement Budget*, project cost elements included the following categories:

Table 1.1.

Category	USAID Funding
Personnel	\$472,618
Construction	\$444,400
Other Direct Costs	\$1,082,982
Total USAID Funding	\$2,000,000

On April 03,2017 the Modification of assistance No.02 of the award no. AID-117-A-15-00002 was signed. As per clause A4. *Cooperative Agreement Budget*, project cost elements included the following categories:

Table 1.2.

Category	USAID Funding
Personnel	\$1,055,622
Construction	\$444,400
Other Direct Costs	\$2,499,978
Total USAID Funding	\$4,000,000

On August 02, 2019 the Modification of assistance No.03 of the award no. AID-117-A-15-00002 was signed. As per clause A4. *Cooperative Agreement Budget*, project cost elements included the following categories:

Table 1.3.

Category	USAID Funding
Personnel	\$ 1,719,987
Construction	\$ 444,400
Other Direct Costs	\$ 6,302,886
Indirect costs	\$ 432,727
Total USAID Funding	\$8,900,000

Due to the fact that, ATIC has been authorized to charge indirect costs to USAID using provisional or 10 percent under Modification #5 dated September 02, 2019, therefore per USAID requirements ATIC has to perform the audit for the entire operations. including the recipient's general purpose financial statements on an organization-wide basis (balance sheet, income statement, and where appropriate, cash flow statement) . The independent auditor must determine whether the financial statements of the recipient are presented fairly in all material respects in accordance with U.S. generally accepted accounting principles (U.S. GAAP), International Financial Reporting Standards (IFRSs), or International Public Sector Accounting Standards (IPSAS). The independent auditor must also determine whether the fund accountability statement (also referred to as a schedule of expenditures of federal awards) is stated fairly in all material respects in relation to the recipient's financial statements as a whole.

ATIC Expenditures as per cash method Y2021

Table 1.4.

Project	USD
ICTEC	2212549,27
Tekwill/Fund raising	58 923,09
Helvitas	36 193,86
ATIC/membership	102 151,98
Aba Roli	806,93
LED	90 821,17
EU Cahul	1 133 576,82
Digi Talents Slovakia	39 378,84

For 2021, ICTEC project has incurred total expenses of USD 2,212,549.27 as per table below:

Table 1.5.

Budget line Item	USD
I. Direct labor & wages	324,502.65
II Construction	-
III Other direct costs	1,731,382.68
Indirect Costs 10%	156,663.94
Total expenses	2,212,549.27

Based on the facts that:

- during the fiscal year January 01, 2021 to December 31, 2021, the recipient spent . **USD 2,212,549.27** of USAID awards for the ICTEC Project and other costs incurred from several projects as presented were **USD 3,674,402.00**.
- ADS Chapter 591, Financial Audits of USAID Contractors, Recipients, and Host Government Entities, Chapter 591.3.2 Audits of Foreign Organizations and Host Government Entities, pp. 591.3.2.1 Foreign Organizations, clause a., stipulates Foreign nonprofit organizations, host governments, and subrecipients that expend \$750,000 or more in USAID awards (i.e., organizations that receive USAID funds either directly or through a prime contractor or recipient) during their fiscal year, must have an annual audit conducted of those funds in accordance with the 2 CFR Part 200, Subpart F.

ATIC is required that an annual financial audit shall be performed.

To be mentioned that there are no sub-recipients who meet the threshold of \$750,000 during the period January 01, 2021 to December 31, 2021.

Statement of Work

The Audit Company is expected to perform the audit of the financial statements of the National Association of ICT Companies (ATIC) for the period January 01, 2021 to December 31, 2021 in accordance with provisions for USAID Financial Audit Guide for Foreign Organizations Appendix 1: Standard Statement of Work for Financial Audits of Foreign Organizations – Annex 2 to the RFP.

TERMS OF PERFORMANCE

The effective date of this contract and statement of work will be the date of the recipient Contracting Officer's signature. The audit should begin no later than 10 calendar days after the signing of the audit contract. A draft audit report must be submitted not later than 40 calendar days after the signing of the award.

PAYMENT WILL BE AS FOLLOWS:

- 30 percent after signing the contract,
- 60 percent after approval of the final report by ATIC, during 15 banking days after the approval.
- 10 percent after the approval of the final report by OIG.

DELIVERABLES:

The following deliverables are expected under this assignment:

	<u>Deliverables</u>	<u>Estimated Timeframe*</u>
1	<u>Draft Audit Report</u>	<u>By June 19, 2022</u>
2	<u>Approved Final Audit Report both in hardcopy and electronic versions:</u> <ul style="list-style-type: none"> - Hardcopy Audit Report - in 4 (four) copies should be submitted to ATIC (9/11, Studentilor Str., Chisinau MD-2045, Moldova) 3 (three) hard copies in EN + 1 (one) hard copy in RO 	<u>By June 23, 2022</u>

	- Electronic version of the Audit Report	
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*New timeframe may be agreed with ATIC upon contract signature if the case.

ANNEX 2:

USAID Financial Audit Guide for Foreign Organizations
(attached as a separate document to the RFP)