

Request for Proposals (RFP)

RFP Number:	#ATIC-2024-004
Issuance date	April 08, 2024
Deadline for offers	April 16, 2024, 18:00 Chisinau time
Description	Provision of Internal Audit (Censor) Services for the Moldovan Association of ICT Companies' ("ATIC")
For	Moldovan Association of ICT Companies
Funded by:	Moldovan Association of ICT Companies (ATIC)
Issued by:	Moldovan Association of ICT Companies (ATIC)
ATIC Point of Contact:	mbzovii@ict.md – Marina Bzovii, Executive Director csirbu@ict.md – Cristina Sirbu, Procurement Specialist

SECTION 1: INTRODUCTION AND INSTRUCTIONS TO OFFERORS

1.1 Acronyms and Definitions

ATIC	National Association of ICT Companies
EU	European Union
ICT	Information and Communication Technology
IT	Information Technology
Project	Project implemented by ATIC
STEM	Science Technology, Engineering and Math
ToR	Terms of Reference
VAT	Value Added Tax

1.2 Introduction:

THE MOLDOVAN ASSOCIATION OF ICT COMPANIES ("ATIC") is looking for an eligible and responsible firm to perform the internal audit of the Moldovan Association of ICT Companies ("ATIC") as described in this RFP and the details specified in the Annex 1.

The objective of the assignment is to audit and to the report on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded and the level of compliance at all levels for the period from January 2024 to December 2024 submitted to the General Assembly of the ATIC Members or The Board of Directors of the ATIC and to express an audit opinion, on whether the association's activity is in accordance with the internal regulations of ATIC and the statute of the association.

1.3 Offer Deadline and Submission Protocol:

Offers must be submitted not later than **April 16, 2024, 18:00, Chisinau time.**

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

Electronic Submission Only:

The only acceptable submission method is electronic – via email.
Any email offers must be sent to the following address:

to: mbzovii@ict.md – Marina Bzovii, Executive Director
cc: csirbu@ict.md – Cristina Sirbu, Procurement Specialist

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 eligible and 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.

Please refer to the RFP number in any response to this RFP.
All offers must be prepared in one of the 3 languages: English, Romanian or Russian.

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

1.4 Questions and Requests for Clarifications:

Questions regarding the technical or administrative requirements of this RFP may be submitted **no later than April 12, 15:00 Chisinau time** by email to mbzovii@ict.md, cc csirbu@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.

1.5 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 and commodities described in the specifications found in Annex 1. 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:

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

a. The forms A-E (attached word file to this RFP), filled in and signed:

- 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)

b. Past performance information:

- *List of external/internal audit assignments completed within the last 3 years, ongoing assignments to be mentioned separately, if any (provide beneficiary, year). Highlight the audit assignments and experience with the audit of NGOs, international Organizations, donor funded projects, etc.*

c. Staffing capacity to perform the proposed services. List of audit team planned to be assigned (Senior audit, auditor), with attachment:

- *CVs of the team. CVs should include details of audits carried out by applicable staff, describing in particular the audit experience of NGOs, international organizations, donor-funded projects, including ongoing missions indicating the capacity and ability to conduct the audit ;*
- *Team qualification certificates;*

d. Description of proposed services/technical approach with a clear timeline.

Upon conclusion of the assessment of the proposals, the successful bidder is required to promptly submit the following supplementary documents within a timeframe of 3 days:

- Copy of official registration and business license if applicable (also for subcontractors – if any)
 - Bank Account Award Certificate - copy – (issued by the bank);
 - Certificate of regular payment of taxes - copy - or certificate issued by the Tax Inspectorate on double taxation records;
 - Company profile description;
 - 2 reference letters from the last 3 years;
- FORMS A-F – attached word file to this RFP.

Subcontracting arrangements:

If the assignment 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 on subcontractors' use; 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, Microsoft Word, or Microsoft Excel format.

The information contained in the Technical Volume should not contain any cost- or price-related information.

1.5.2 Cost Volume

Considering the assignment's complexity, the cost proposal determines which proposals represent

the best value and serve as a basis of negotiation before award of a contract.

It should offer a clear understanding of the amount of work, diverse types of activities (if applicable), but offer a fixed price for the assignment, considering all the 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 about the reasonableness, realism, or completeness of an offeror's proposed cost.

Currency of Proposal: Financial offers must be presented in **MDL, VAT included**. No other currencies accepted.

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

Partial Quotes: not allowed.

1.6 Validity Period

Offers must remain valid for at least 90 calendar days after the RFP 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.

As per ATIC procurement rules, a contractor is eligible if:

- it does not support activities that contribute to money laundering, terrorism financing, tax avoidance, tax fraud or tax evasion;
- it refrains from corruption and other irregularities and requires all its employees, consultants, suppliers and contractors involved in fulfilment of this assignment to refrain from any such corruption and other irregularities. Corruption and other irregularities refer to all kinds of: (1) corruption, including bribery, nepotism, illegal gratuities or other form of abuse of trust, power and position for improper gain; (2) misappropriation of cash, inventory and all other kinds of assets; (3) financial and non-financial fraudulent statements;
- it takes all necessary precautions to avoid any conflicts of interest in all matters related to fulfilment of this assignment and ensures its employees, consultants, suppliers and contractors are not placed in a situation which could give rise to conflict of interest. A conflict of interest shall be deemed to arise where the impartial and objective exercise of the functions of any person fulfilling the Contract is compromised.

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 RFP 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**

The 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.

Offeror's minimum professional qualification criteria:

- Minimum 5 years of previous experience in providing audit /financial management and financial/tax consulting services;
 - legal entity registered in Republic of Moldova
 - for audit companies: registered in the public registry of the audit companies (<http://cspa.md/extrasul-din-registrul-public-al-entitatilor-de-audit>)
 - at least 2 external/internal audit reports provided to NGOs/international organizations or donor funded projects;
 - at least 2 (two) auditors/experts:
 - 1) 1 Certified auditor – with:
 - min. 10 years of experience in accounting and Moldovan fiscal legislation,
 - at least 5 years of experience with external/internal audit, proven experience in work with Government institutions, (auditing of donor funded projects would be considered an advantage)
 - 2) 1 Finance/risk management specialist – with:
 - min. 7 years of experience in financial consulting/risk management;
- 3) *Linguistic requirements for both experts: advanced knowledge of Romanian and Russian and working knowledge of English (both written and oral); Best value will be decided using the scoring method (technical scoring +financial scoring). That means that each proposal will be evaluated and scored against the evaluation criteria and evaluation sub-criteria, which are stated in this RFP. If technical scores of several proposers reaching or exceeding the minimum pass score are determined to be equal or nearly equal, cost will become the determining factor.*

ATIC may award the contract to a higher priced offeror if a determination is made that the higher technical score of that offeror merits the additional cost/price.

The rating of each proposal will be defined based on the accumulated total scoring: technical and financial scorings. Priority will be given to the highest scored offers, within the limits of the available budget.

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

#	Evaluation Criteria and Sub-criteria	Maximum points
1	TECHNICAL EVALUATION*	Up to 175 pts
1.1.	Technical offer (approach)	Up to 75 points
	<i>a) The Offeror fully understands the objectives and context of the assignment. The proposed approach and the work plan demonstrate fully correspond to this RFR including Annex 1.</i>	Up to 75 pts
	<i>b) The Offeror has a satisfactory understanding of the objectives and context of the assignment. The proposed approach and work plan matches the specification but requires some adjustments to properly address all tasks described in this RFR including Annex 1.</i>	Up to 40 pts
	<i>c) The Offeror has a limited understanding of the objectives and context of the assignment. The proposed approach and work plan do not correspond to this RFR including Annex 1 and require major adjustments to properly address the tasks described.</i>	0 pts
1.2.	Company's past performance information	Up to 40 points
1.2.1	<i>- Minimum 5 years of previous experience in providing audit /financial management / financial or tax consulting services</i>	Up to 20 pts 5 years – 10 pts, –each additional year - 2 pts; up to 10 additional pts;
1.2.2	<i>- at least 2 audit reports provided to NGOs /international organizations or donor funded projects</i>	Up to 20 pts 2 (two) audit reports – 10 pts, 2 pts for each additional report – up to 5 additional reports/10 pts; no NGO/project/ Int. org. audited - 0 pts;
1.3.	Qualified Staff: Minimum 2 (two) relevant experts	Up to 60 pts
1.3.1	auditor/Team leader	Up to 35 pts
	<i>a) Minimum 10 years of experience in accounting and Moldovan fiscal legislation,</i>	Up to 12 pts 10 years – 6 pts, 2 pts for each additional year – up to 3 additional years pts;
	<i>b) at least 5 years of experience with external/internal audit,</i>	Up to 10 pts 5 years – 6 pts, 2 pts for each additional year – up to 3 additional years;
	<i>c) proven experience in work with Government institutions</i>	Up to 3 pts proven experience – 3 pts, no experience – 0 pts;
	<i>d) auditing of donor funded projects/NGOs, international org., (would be considered an advantage)</i>	Up to 4 pts 1 (one) audited project – 2 pts for each additional audited similar mission - 1 pts; up to 2 additional pts;
	<i>e) availability of auditor certification</i>	3 pts Certificate available – 3 pts Not available – 0 pts
	<i>- Linguistic skills</i>	3 pts
	<i>English</i>	1 pts
	<i>Romanian</i>	1 pts

	<i>Russian</i>	1 pts
1.3.2	- Finance/risk management specialist	Up to 25 pts
	- Minimum 7 years of experience in <i>Financial consulting /risk management</i>	Up to 12 pts 7 years – 6 pts, 2 pts for each additional year – up to 3 additional years;
	- <i>experience with external/internal audit,</i>	Up to 10 pts Each year - 2 pts; up to 5 years;
	- <i>Linguistic skills</i>	3 pts
	<i>English</i>	1 pts
	<i>Romanian</i>	1 pts
	<i>Russian</i>	1 pts
2.	OVERALL COST PROPOSAL PROVIDED	Up to 75 points
		minimum offer - 75 pts; Evaluated offer pts = (lowest offer \$ x 75 pts)/evaluated offer
	Total Points = Technical + Cost Approach	250 points

***Minimum technical passing score – 123 pts (70% of the technical score).** Offers that do not reach the minimum pass score will not be considered for further evaluation.

1.9 Negotiations

The 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 subcontract.

1.10 Terms and Conditions of Contract

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

This solicitation is subject to the details in Section 2 and Section 3. Any resultant award will be governed by these terms and conditions. ATIC reserves the right to revise the content, order, and numbering of the provisions in the actual subcontract document prior to execution by ATIC and the selected awardee. Issuance of a subcontract award is subject to availability of sufficient funds.

SECTION 2. BACKGROUND, SCOPE OF WORK, DELIVERABLES AND DELIVERABLE SCHEDULE

2.1 Specifications

THE MOLDOVAN ASSOCIATION OF ICT COMPANIES (“ATIC”) is the business Organization uniting 94 entities. Umbrella Organization that gathers over 9,000 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.

The overall objective of the ATIC is to enhance the development of the sector and members capacities, enlarge the market, improve the ICT workforce capacities, protect current investments

in the country and participate in the decision making and regulatory process on the national and international level. ATIC will actively promote the interests of the members, by helping to deliver the benefits of the ICT sector, while meeting the legitimate concerns of the members.

Scope of Work

The Audit Company is expected to perform the internal audit of the National Association of ICT Companies (ATIC) during the period January 01 2024 to December 31, 2024, in accordance with provisions ATIC's Terms of Reference for Internal Audit (Censor) services.

Please refer to Annex 1 –Terms of Reference for Annual Internal Audit (Censor) services for ATIC, for details on the required services.

2.2 Delivery Requirements

The audit of documents should be performed in the office of ATIC: 9/11, Studentilor Str., Chisinau, Moldova. The period of each internal audit shall not exceed 15 calendar days (including the on-site visit – one working week). Documents verification should be planned preventively one month before the verification procedures begin.

The company shall provide the final versions of the internal audit reports both in hardcopy and electronic versions

- Electronic internal audit report – to be submitted in the electronic format and way agreed with The Executive Director and Board of Directors of ATIC, in RO. Draft versions will be first submitted for feedback.
- Hardcopy Final Internal Audit Report - in 4 (four) copies should be submitted to ATIC (9/11, Studentilor Str., Chisinau MD-2045, Moldova): 4 (four) hard copies in RO

Upon necessity, ATIC may require the internal audit report to be provided in English

The following deliverables are expected under this assignment:

#	DELIVERABLES	Q-Y	% COST	ESTIMATED TIMEFRAME
1	Half-Year I Internal Audit for January 1 – June 30, 2024	1	50%	To be completed in July 2024
1.1	Draft internal audit report (RO electronic versions)	1	40%	14 calendar days from completing the field work
1.2	Approved Final internal audit report: electronic version and 4 (four) hardcopies in RO	4	10%	30 calendar days from completing the field work
2	Half-Year II Internal Audit for July 1 – December 31, 2023	1	50%	To be completed in January 2025
2.1	Draft internal audit report in (RO electronic versions)	1	40%	14 calendar days from completing the field work
2.2	Approved Final internal audit report: electronic version and 4 (four) hardcopies copies in RO	4	10%	30 calendar days from completing the field work
	TOTAL		100%	

To make it easier for audit firms to comply the ATIC's Terms of Reference for Internal Audit (Censor) services 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 Board of Directors of the ATIC.

SECTION 3. PAYMENT AND FINANCIAL OBLIGATIONS

3.1 Contract Price

The Contractor shall complete the services (including furnishing all labor, material, commodities, equipment, if applicable, and services) required under this contract for the fixed price indicated in the offer. This price shall include all equipment, commodities, shipping costs, licenses, permits, 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 as provided in Article 1.9 above, after the Contractor's completion of the corresponding deliverables and ATIC acceptance thereof. The Contractor may submit invoices for deliverables accepted and approved by the authorized ATIC representative. ATIC will pay the Contractor's invoice within fifteen (15) working days after the following conditions have been fulfilled:

- a) the Contractor has delivered a proper invoice,
- b) and certificate of acceptance of deliverables is signed by both parties (which may be signed only after acceptance of the provided audit reports);

Payment will be made in MDL, 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. 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.

Payment Will be as Follows:

- under each of the two internal audit missions, 50% of the contract amount will be provided within 15 banking days after the approval of the final report by ATIC (including Board) as well as the acceptance of payment documents (fiscal invoice and certificate of acceptance of services). Any intermediate payments for drafts may be agreed by parties.

3.3 Invoice Requirements

The Contractor shall present an invoice to ATIC only for services 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. Name of the corresponding ATIC project for which the services are being provided and contact reference.
4. Bank account information to which payment shall be sent.

3.4 **Taxes and Duties**

This contract is entered into by ATIC.

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 because of operating its business.

3.5 **Set-Off Clause**

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

1. **Grounds for Disqualification:**

A firm may be excluded from the evaluation and the award of a contract, who:

- a) is bankrupt or is being wound up, whose affairs are being administered by court, who has entered an arrangement with creditors, who has suspended business activities or who is subject of an injunction against running business by court;
- b) is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding up or administration by court, or for an arrangement with creditors or of any other similar proceedings.
- c) has been convicted of an offence concerning his professional conduct by a court;
- d) has been found guilty of grave professional misconduct; or
- e) has not fulfilled obligations relating to payments of taxes or social security contributions.

2. **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, Projector 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 subcontract.
- *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 legal provisions which prohibit 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 General Assembly of ATIC Members or The Board of Directors of the ATIC.

The Contractor agrees to cooperate fully with any relevant Moldovan 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.

3. Terrorist Financing Prohibition

The Contractor (including its employees, consultants, and agents) by entering this contract certifies that it does not engage, support, or finance individuals and/or organizations associated with terrorism.

4. 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 Moldova and its political subdivisions and with the standards of relevant licensing boards and professional associations.

5. Indemnity and Contractor Waiver of Benefits

A. The Contractor waives any additional benefits and agrees to indemnify and save harmless ATIC, 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, 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 Contractor.

B. Contractor shall defend and settle at its sole expense all suits or proceedings arising out of the foregoing, if 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) 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 goods and services.

6. 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.

7. Modifications

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

8. Changes

According to ATIC procurement procedures, ATIC may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed.

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.

9. 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.

10. Termination

ATIC reserves the unilateral right to terminate this fixed price contract at any time, paying for all deliverables completed at the time of termination and a pro-rata share of any deliverable in progress, in accordance with ATIC procurement procedures.

If the Contractor fails to make progress to endanger performance of this fixed price contract or is unable to fulfill the terms of this fixed price contract by the completion date, the Contractor shall notify ATIC forthwith and ATIC shall have the right to summary termination of this fixed price contract upon written notice to the Contractor.

ANNEX 1**TERMS OF REFERENCE****Provision of Internal Audit (Censor) services for ATIC activity****01. BACKGROUND:**

The Moldovan Association of ICT Companies (“ATIC”) is the business Organization more than 94 companies. Umbrella Organization gathering over 9,000 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 the Republic of Moldova through viable partnerships between companies, similar organizations, government, state institutions and international organizations. 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.

Based on the growing of its activities ATIC is currently looking for a qualified firm that will provide Internal Audit services for the Association.

02. OBJECTIVE AND SCOPE:

Overall Objectives of the Internal Audit:

- To express an independent professional opinion about the efficiency, effectiveness and economy of Association’s operations;
- To evaluate the adequacy and effectiveness of the financial management and internal control framework;
- To report on compliance status of corporate policies, financial norms, local regulations, guidelines and project donor regulations;
- To identify and report on areas for improvement and critical weaknesses, if any;
- To provide the Board of Directors (further referred to as “Board”) and Executive Director with timely information and recommendations on financial management and relevant aspects to enable timely corrective actions.

Scope of the Engagement:

The scope of assignment shall be comprehensive and shall cover the project activities and transactions of all the cost centers. The responsibilities of Internal Auditor (company that will perform the internal audit) include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, as well as the level of compliance at all levels.

The Internal Auditor shall include the activities and operations of all departments, organizational and functional units.

This includes an assessment of adequacy of financial management systems, financial and operational controls and should include aspects such as:

- adequacy and effectiveness of accounting, financial and operational controls;
- level of compliance with established policies, plans and procedures;
- reliability of accounting systems, data and financial reports;
- methods of remedying weak controls;
- verification of assets and liabilities;
- goods and services financed had been procured in accordance with relevant procurement

procedures;

- all necessary supporting documents, records and accounts have been kept in respect of each projects/grants;
- economical and efficient use of resources
- compliances with laws and regulations

The Internal Auditor must review ATIC annual budgets, management plans, financial policies, procedures, records, accounts and plans and appraise the effectiveness by which ATIC meets its objectives. The Internal Auditor shall consider the adequacy of controls necessary in all areas and will seek to confirm that management have taken the necessary steps to achieve these objectives. The Internal Auditor shall be responsible for providing relevant, reliable and sufficient audit evidence of the adequacy and effectiveness of operational and other control arrangements which will allow management to evaluate the findings and confirm the level of assurance which emerges.

03. REPORTING AND APPROVALS:

The Internal Auditor will present its reports to the Executive Director and Board of Directors.

The Executive Director is organizationally responsible for the successful operation of the internal audit program and works closely with the Internal Auditor and the Board to coordinate reviews, reports and management responses.

The Board shall review and approve the Internal Audit Strategy, the annual Audit & Risk Assessment Plan and a more detailed program of reviews to ensure that they are consistent with the audit needs of ATIC.

The Internal Auditor shall present the major findings of internal audit reports and ATIC management responses to the Board semiannually and to the General Assembly once a year.

04. PERIOD OF APPOINTMENT:

The Internal audit company shall be appointed for a period of 1 year (2024) from the date of the agreement, with the possibility of extension.

05. DELIVERABLES/REPORTING:

Post review, the Internal Auditor is expected to meet and present the findings to ATIC's Board of Directors (draft report). Final signed report will be issued based on the final discussion with the Board;

The internal audit report will highlight key issues for management and shall have the following sections:

- a) Executive Summary;
- b) Objective of the audit;
- c) Methodology of audit;
- d) The status of implementation of the financial management records, systems and controls;
- e) The status of compliance of the previous audit report, including major audit observations pending compliance;
- f) The key area of weaknesses needing improvement;
- g) Recommendations for improvements;
- h) The comments from the Board and concerned staff at ATIC must be incorporated as Management Comments;

a) The audit shall be carried out on a semiannual basis, and shall include:

Half-Year I Internal Audit:

1. Analysis of membership contribution records for 2023 and verification of their use in line with the

- statute of the Association;
2. Verification of the inventory results for 2023;
 3. Verification of the effectiveness of the internal controls implemented by the Association for the first semester of 2024;
 4. Verification of compliance of internal policies with the principle of Business Continuity and recovery planning, in case of force majeure situations;
 5. Verification of access rights, back-up process, the intellectual property rights observance;
 6. Preparation of the cash flow report for the first 6 months and the analysis of the results of the economic and financial activity of the Association for the I-II trimesters of 2024;
 7. Revision of the Action Plan for the elimination of the issues identified by external auditors and verification of its execution on June 30, 2024;
 8. Checking the accuracy of the accounting reports according to the cash accounting - method, checking the eligible and ineligible expenses and providing recommendations to adjust the shortcomings;
 9. Checking the IPC reports for the first 6 months of 2023 and providing recommendations in case any corrections are needed (accuracy of salary tax calculations, FOL ROY, etc.);
 10. Analysis of the accounting policy for 2024 (if any changes occurred);

Half-Year II Internal Audit:

1. Assessment of the effectiveness of the internal controls implemented by the Association during the two semesters of 2024; Provision of the necessary consultancy and recommendations for the increase of internal control systems efficiency and suggestions related to the company's procedures;
2. Analysis of the procurement activity for the period 01.01-31.12.2024 its compliance to the Association's Procurement Manual;
3. Analysis of the HR management and remuneration policies;
4. Analysis of project budget execution (per project) for the 2 semesters of 2024;
5. Verification of the implementation of the Action Plan for the eliminate the issues identified by the external auditors, on December 31, 2024;
6. Review and evaluation of updated Regulations/Procedures during 2024;
7. Preparation of the cash flow report per project and analysis of the results of the economic and financial activity of the Association for 2024, based on the cash accounting method;
8. Checking IPCs for the whole 2024;
9. Review of the financial statement and the report on the income tax for 2024 (corresponding to the legislation in force and the information from 1C accounting software) before being transmitted to the State Statistics and Fiscal Authorities in March 2025).

b) The start of each audit and working on-site visits of the internal audit team shall be agreed with the ATIC Executive Director one month before the verification procedures begin. Each verification visit shall be planned and last for one working week at ATIC's headquarters.

Each final report must be submitted within 30 days from completing the field work.

Table of deliverables:

#	DELIVERABLES	Q-Y	% COST	ESTIMATED TIME FRAME
1	Half-Year I Internal Audit for January 1 – June 30, 2024	1	50%	To be completed in July 2024
1.1	Draft internal audit report (RO electronic versions)	1	40%	14 calendar days from completing the field work
1.2	Approved Final internal audit report:	4	10%	30 calendar days from

	electronic version and 4 (four) hardcopies in RO			completing the field work
2	Half-Year II Internal Audit for July 1 – December 31, 2024	1	50%	To be completed in March 2025
2.1	Draft internal audit report (RO electronic versions)	1	40%	14 calendar days from completing the field work
2.2	Approved Final internal audit report: electronic version and 4 (four) hardcopies in RO	4	10%	30 calendar days from completing the field work
	TOTAL		100%	

Upon necessity, an English version of the internal audit report might be requested by ATIC.

07. CONFIDENTIALITY

By virtue of this assignment, the audit team/firm might gain access to some sensitive information or data. The censors are required to maintain utmost confidentiality of the matter and undertake not to divulge such information or documents to anyone other than the contracting party / authority without prior consent of ATIC. This condition shall survive beyond Contract period.