## **INTERNAL AUDIT FOR STARTUP MOLDOVA FOUNDATION**

**REQUEST FOR PROPOSALS (RFP)**

| RFP number: | SMF\_IA\_001/2023 |
| --- | --- |
| Issuance date: | June 23, 2023 |
| Deadline for offers: | July 21, 2023 |
| Description: | Provision of Internal Control Processes Assessment at Startup Foundation Moldova (SMF) |
| Contact: | admin@startupmoldova.digital  Olesea Peredenco  069751895 |

**SECTION 1: INTRODUCTION AND INSTRUCTIONS TO OFFERORS**

**1.1 Introduction:**

Startup Moldova Foundation (SMF) is looking for an eligible and responsible local audit company to perform the internal processes assessment of Startup Foundation Moldova (SMF) as described in this RFP and the details specified in Section 2. Terms of Reference (ToR).

The objective of the assignment is to assess the internal processes, mechanisms, rules, and procedures and other related aspects applied by SMF in order to confirm/infirm the organizations effective projects management, and that the foundation’s goals and objectives be achieved efficiently and economically together with assessment of changes made based on recommendations from the internal audit performed in May 2022.

**1.2 Offer Deadline and Submission Protocol:**

Offers must be submitted not later than **July 21, 2023, 23:59 Chisinau time**. Offers received after the specified time and date will be considered late and will NOT be evaluated by SMF.

The only acceptable submission method is electronical – via email. Any email offers must be sent to the following address: **admin@startupmoldova.digital**.

Offers must be submitted in separate .PDF format files corresponding to the:

1. Form A: Tender Application
2. Form B: Letter of Transmittal
3. Form C: Certificate of Independent Price Determination
4. Form D: Certification regarding Responsibility Matters
5. Form E: Evidence of Responsibility Statement
6. Form F: Financial Offer (should be password protected)

All offers must be prepared in one of the 2 languages: English or Romanian.

**1.3 Questions and Requests for Clarifications:**

Questions regarding the technical or administrative requirements of this RFP may be submitted no later than **July 20, 2023, 23:59 Chisinau time** by email to **admin@startupmoldova.digital**.

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

**1.4 Technical and Cost Volume**

**1.4.1 Technical Volume**

The Technical Volume should describe in detail the offeror’s proposed plan for providing the services and commodities described in the specifications. 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.

The Technical Volume must contain the following required completed documents:

1. Form A: Tender Application
2. Form B: Letter of Transmittal
3. Form C: Certificate of Independent Price Determination
4. Form D: Certification regarding Responsibility Matters
5. Form E: Evidence of Responsibility Statement
6. Form F: Financial Offer (should be password protected)
7. Copy of official registration and business license if applicable (also for subcontractors – if any)
8. Bank Account Award Certificate - copy – (issued by the bank);
9. Certificate of regular payment of taxes - copy - or certificate issued by the Tax Inspectorate on double taxation records;
10. Company profile (up to 3 pages)
11. Past performance information:
    1. Information on previous similar assignments related to Internal control review/development completed within the last 3 years (especially for NGOs, donor funded projects and/or International donor organizations);
    2. 2 reference letters from the last 3 years
12. Staffing capacity to perform the proposed services, describing in particular the experience with the assessment of NGOs, international Organizations, donor funded projects, etc. CVs of the assigned team (senior auditor and -auditor as required in ToR). CVs should include details on services completed by the applicable staff, including ongoing assignments indicating capability and capacity to undertake the audit.
13. Description of proposed services with a clear timeline.

**Subcontracting arrangements:**

If the execution of work 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. SMF will not refuse a proposal based upon the use of subcontractors; however, SMF retains the right to approve or reject the specific subcontractors selected.

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

**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 subcontract.

It should offer a clear understanding upon the amount of work, different types of activities (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. SMF 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

**Currency of Proposal:** Financial offers must be presented in MDL, VAT Exclusive only. 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. SMF will not award a contract to any firm that is debarred, suspended, or considered to be ineligible.

As per SMF 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 fulfillment of the Agreement with SMF or implementation of any part of the Project 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. The Provider shall cooperate with the Beneficiary in this respect and promptly inform the Beneficiary of any indication of corruption and other irregularities and investigate the presence of corruption and other irregularities and take action, including legal actions, against persons suspected of corruption and other irregularities;
* It takes all necessary precautions to avoid any conflicts of interest in all matters related to fulfillment of the Agreement with SMF or implementation of any part of the Project 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 Agreement and/or implementing of any part of the Project 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:

1. they have at least one controlling partner, director or shareholder in common; or
2. they have the same legal representative for purposes of this RFP;
3. any one of them receive or have received any direct or indirect subsidy from the other/s; or
4. 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;
5. 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
6. some key specialists proposed to be in the team of one Offeror participated 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 SMF.

Offeror’s minimum professional qualification criteria:

* minimum 3 year - experience in audit, including for NGOs, donor funded projects, /international donor organizations (internal control);
* prior experience in the development and/or audit of internal processes, standard operating procedures, corporate policies
* minimum 2 (two) certified auditors:
* 1 Certified auditor with min. 7 years of experience internal control audit;
* 1 Certified auditor with at least 10 years of experience in audit/development of operational policies, Standard Operating Procedures, Corporate regulations, knowledge of NGOs/international organizations;
* Review team linguistic skills: advanced knowledge of English and Romanian. 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.

SMF 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 scoring. The priority will be given to highest scored offers, in the limits of the available budget.

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

|  | **Evaluation Criteria and Sub-criteria** | **Maximum points** |
| --- | --- | --- |
| **1** | **TECHNICAL EVALUATION\*** | **Up to 175 pts** |
| **1.1.** | **Technical offer (comprehensiveness of the approach)** | **Up to 75 points** |
| 1.2. | Company’s past performance information | Up to 40 points |
| *1.2.1* | *minimum 3 years of experience in audit, including for NGOs, donor funded projects /international donor organizations (internal control);* | *Up to 20 pts 3 years – 10 pts, 2 pts for each*  *additional year – up to 5*  *additional years/10 pts;* |
| *1.2.2* | *prior experience in the development and/or audit of internal control, standard operating procedures, corporate policies* | *Up to 10 pts* |
| *1.2.3* | *experience in performing audit services for EU or SIDA funded projects would be considered an advantage* | *10 pts*  *Yes – 10 pts; No -0 pts* |
| **1.3** | **Qualified Staff: Minimum 2 (two) certified auditors** | **Up to 60 pts** |
| 1.3.1 | Certified auditor #1 | Up to 30 pts |
|  | *Minimum 10 years of experience in audit/development of operational policies, Standard Operating Procedures, Corporate regulations, knowledge of NGOs, donor funded projects* | *Up to 26 pts 10 years – 20 pts, 2 pts for each additional year – up to 3 additional years;* |
|  | ***Linguistic skills*** | *4 pts* |
|  | *English* | *2 pts* |
|  | *Romanian* | *2 pts* |
| 1.3.2 | Certified Auditor #2 | Up to 30 pts |
|  | *Minimum 10 years of experience in audit/development of operational policies, Standard Operating Procedures, Corporate regulations, knowledge of NGOs, donor funded projects* | *Up to 26 pts 10 years – 20 pts, 2 pts for each additional year – up to 3 additional years;* |
|  | ***Linguistic skills*** | *4 pts* |
|  | *English* | *2 pts* |
|  | *Romanian* | *2 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**

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

**1.10 Terms and Conditions of Subcontract**

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

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

**SECTION 2. TERMS OF REFERENCE**

Internal Processes Review for Startup Foundation Moldova (SMF)

**2.1 Background information and rationale, project description**

Startup Moldova is an initiative that aims to accelerate technological innovations in the Republic of Moldova by training, encouraging, but also by creating a favorable environment for the development of startups and technological innovation initiatives in the country.

Startup Moldova has 4 strategic areas of activity:

* Supporting and empowering the community of startups and innovative companies in the Republic of Moldova through community programs, activities and events. Creating and executing a unified strategy to promote the startup community.
* Implementing programs and initiatives to encourage and empower people who want or plan to become a startup founder or active promoter of technological innovations.
* Empowering startups and innovative companies with the necessary resources to achieve its goals: mentoring, tracking, operational training, facilitating partnerships, facilitating access to accounting services, legal assistance, thematic training, and others.
* Facilitating the access of startups and innovative companies to financing resources, their support and professional training for fundraising activities.

**Scope of Work:**

SMF is looking for a responsible company to assess the principles, mechanisms, rules, and procedures applied by SMF aimed to ensure the integrity of financial and accounting information, as well as the efficiency of the foundation's operational activity, accuracy and timeliness of existing systems and procedures in place aiming to ensure segregation of duties, ensure transparency and prevent fraud.

The review is necessary to confirm/infirm the organization's effective project management, and that the foundation’s goals and objectives be achieved efficiently and economically together with assessment of changes made based on recommendations from the internal audit performed in May 2022.

The selected company is expected to assess SMF’s internal management and control, and existing risks, and provide recommendations that will help the foundation implement effective procedures based on international best practices, while taking into account the specific of SMF’s activity.

The SMF management will provide all the necessary information and documents to the selected company in order to ensure that the service provider has the necessary resources in order to deliver on the assignment.

The review will cover the following system review components:

The set of standards, processes, and structures that provide the fundamentals for carrying out foundation activities. This will cover:

1. Review of the internal procedures- Office and Personnel, Procurement and Financial operations, and other as identified necessary by the Review company
2. Information and Communication – information necessary for the organization to carry out its responsibilities in support of its objectives; communication providing the organization with the information needed to carry out day-to-day activities; it enables staff to understand internal control responsibilities and their importance.
3. Evaluate Monitoring Activities – monitoring activities determine whether each of the five components of internal control is present and functioning.

The Selected company will provide answers including to questions and subjects mentioned below:

**Organizational Structure and Management:**

* Does the management structure have clearly defined roles, authorizations, and authorities?
* Is there a decision order that adequately ensures segregation of duties in regard to authorization of payments, different roles and responsibilities within the organization?
* Is there established an internal policy on the activity of the sent-out staff in countries where CMI’s projects are implemented (time allocation policy, involvement in several projects at the same time, salary policy, etc)?
* Are risk analyses performed regularly, and are there routines for identifying, analyzing and taking risk reducing measures?
* What risks has the organization identified for its operations?
* Does the organization have sufficient staffing capacities, competence, and professional knowledge in order to be able to prevent and mitigate different types of risks?

Operational activity: Finance, Procurement, Sub-awarding and HR

* Is the organization planning to be reviewed according to Moldovan national rules and regulations applicable to the legal form of organization of SMF? What type of review is it (ISA, national standard, assurance engagement, agreed upon procedures)?
* Does the organization follow-up on weaknesses identified in the audit performed in May 2022?
* Is there a procurement policy that includes adequate rules and regulations to manage planned procurement in compliance with applicable regulations? Does the organization follow it?
* Does the organization have an accounting software that allows for adequate accounting records for an organization of its size and operations? Is project accounting possible in the accounting software? How does the organization work with budget analysis and budget follow-up?

Grant disbursement and monitoring (or Forwarding of funds/sub-granting)

* How are the decisions on the eligibility of grantees made? Which is the governing body / committee responsible for selection of grantees? How are those governing bodies / committees for selection of grantees chosen? Do the governing bodies / committees have sufficient and relevant competence to ensure fair and unbiased selection?
* Are there policies and internal regulations in place to ensure correctitude and transparency of the entire process: from publishing the call for applications to evaluation, selection and disbursement of grant money?
* Are there controls in place to ensure that the disbursed grants are used for the intended purposes according to the relevant grant agreements and that the financial statements fairly represent the financial transactions and balances of the grant?
* What appropriate legal actions will be taken against the selected grantees in case the grant has been used for purposes other than those for which it has been awarded?
* Does SMF assess the recipient organization’s (the startup’s /grantees) capacity regarding competence, resources, internal management and control and work on anti-corruption, and if so, in what way? Are these assessments documented?
* What reporting requirements; financial and results; including reviews, does SMF place on its recipient organizations (startups etc)? Are eventual findings and weaknesses in the review reporting from recipient partner organizations followed-up upon by the organization in a systematic and documented way?

Conflict of interest

* Are there processes and procedures in place for the identification, reporting and administration of conflict of interest situations?
* How are the conflicts of interest avoided within the organization?
* Are there any relations or duty overlaps between SMF management or decision- making bodies that can be treated as conflict of interest?

**Recommendations** for improvement of the internal operational procedures based on the performed assessment.

**Deliverables:**

| **#** | **Deliverables** |
| --- | --- |
| 1 | Draft Audit Report (EN) (80% done) |
| 2 | Final Audit Report in hardcopy and electronic version (EN) |

**2.1 Delivery Requirements**

The documents should be performed in the office of SMF: 78, 31 August 1989 str., Chisinau, Moldova. The period of the review shall be about 25 days.

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.

**SECTION 3. PAYMENT AND FINANCIAL OBLIGATIONS**

**3.1 Contract Price**

The Contractor shall complete all work (including furnishing all labor, material, commodities, equipment, 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 SMF of all corresponding deliverables listed in the column named “Corresponding Deliverable Name.”

**3.2 Payment Terms**

SMF will pay the total price through a series of installment payments as provided in Article 1.9 above, after Contractor’s completion of the corresponding deliverables and SMF acceptance thereof. SMF will pay the Contractor’s invoice within fifteen (15) working days after the following conditions have been fulfilled:

1. the Contractor has delivered a proper invoice,
2. and certificate of acceptance of deliverables is signed by both parties;

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 SMF. Any invoices for services rendered and deliverables submitted— but not accepted by SMF—will not be paid until the Contractor makes sufficient revisions to the deliverables such that SMF may approve the deliverables and thus the invoice.

Payment Will be as Follows: Payment upon accepted deliverables;

**3.3 Invoice Requirements**

The Contractor shall present an invoice to SMF only for services and/or commodities that have been accepted by SMF. The invoice must be an original invoice, submitted to the Executive Director.

To constitute a proper invoice, the Contractor’s invoice must include the following information and/or attached documentation. This information will assist SMF 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 Country Fees, Taxes, and Duties**

This contract is entered into by SMF on behalf of the Digital Impact Program, an official program of the EU and Sweden Sverige in the 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 the Republic of Moldova. The Contractor shall not pay any host country taxes, VAT, tariffs, duties, levies, etc. from which these Donor programs are exempt. In the event that any exempt charges are paid by the Contractor, they will not be reimbursed to the Contractor by SMF. The Contractor shall immediately notify SMF if any such taxes are assessed against the Contractor or its subcontractors/suppliers 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 Grounds for Disqualification:**

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

1. is bankrupt or is being wound up, whose affairs are being administered by court, who has entered into an arrangement with creditors, who has suspended business activities or who is subject of an injunction against running business by court; 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;
2. has been convicted of an offense concerning his professional conduct by a court;
3. has been found guilty of grave professional misconduct; or
4. has not fulfilled obligations relating to payments of taxes or social security contributions.

**3.6. 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 SMF, 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 SMF 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 SMF and proper attribution.

**3.7. Modifications**

Modifications to the terms and conditions of this subcontract, including any modification to the scope 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.

**3.8. Changes**

According to SMF procurement procedures, SMF 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.

**3.9. Assignment and Delegation**

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

**3.10. Termination**

SMF 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 SMF procurement procedures.

In the event that the Contractor fails to make progress so as 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 SMF forthwith and SMF shall have the right to summary termination of this fixed price contract upon written notice to the Contractor.