

Request for Proposal
Organizational Financial Audit for Financial Year 2023

Coalition for Partnership in Democratic Development
Organization (CPDDP)

Phnom Penh Villa Building, #124, St. 388, Sangkat Toul Svay Prey 1 Khan Chamkarmon,
Phnom Penh Cambodia.

Dear Sir or Madam,

Coalition for Partnership in Democratic Development Organization (CPDD) is issuing a Request for Proposals (RFP) for Independent External Audit Services provider to conduct the organizational financial audit for CPDD for 01 January 2023 – 31 December 2023. The attached RFP contains all of the necessary information for interested bidders.

CPDD will accept questions related to the RFP through 15th December 2023. Questions can be directed to Mr. Samrith Sambo, Head of Administration and Finance via email address haf@cpddcambodia.org or phone number +855 (77) 669 895. CPDD will provide answers to all relevant questions by email to all known participating companies.

Please refrain from communicating with other staff of CPDD regarding this RFP. Any communication outside of this process may result in disqualification. Please follow the instructions provided in this document for your responses to the RFP. CPDD looks forward to working with you throughout the process.

This RFP does not obligate CPDD to execute a contract, nor does it commit CPDD to pay any costs incurred in the preparation and submission of the proposals. Furthermore, CPDD reserves the right to reject all offers, if such an action is considered to be in the best interest of CPDD. ✓

Sincerely,


Mr. Son Penth
CPDD, Executive Director

Request for Proposal: Table of Contents

Contents

I. BACKGROUND:.....	3
II. OBJECTIVE AND SCOPE OF THE AUDIT	3
III. METHODOLOGY	4
IV. DELIVERABLE AND REPORT	4
V. THE ESTIMATED ANNUAL BUDGET	5
VI. TIMEFRAME OF AUDIT FIELD EXAMINATION AND DELIVERY OF REPORTING	5
VII. PROPOSAL EVALUATION AND BASIC FOR AWARD	5
VIII. REQUIRED PROPOSAL DOCUMENTS AND TECHNICAL PROPOSAL.....	6
IX. HOW TO APPLY:	6
X. ENDORSEMENT AND APPROVAL	6

I. Background:

The Coalition for Partnership in Democratic Development (“CPDD”), formerly known as the Working for Partnership in Decentralization (WGPD), is a non-profit, non-partisan coalition of Cambodian and international non-government organizations (“NGOs”) as well as individuals working on decentralization and de-concentration reforms in Cambodia. Officially registered with the Ministry of Interior (MoI) in July 2017, CPDD is currently the only network organization that focuses explicitly on decentralization reform in the country. The network is comprised of 111 members of non-government organizations (NGOs). The CPDD has built good working relationships with the key Government’s democratic development institutions and agencies, especially the Secretariat of the National Committee for Sub-National Democratic Development (NCDD-S), the Association for Sub-National Councils (ASAC), sub-national administrations and donor agencies throughout the country. The decision to register and change its name from WGPD to CPDD was decided collectively by the network members in 2017, with the expectation that, the CPDD will improve its governance and organizational structure, substantial network capacity and greater contributions to deepen the implementation of SNDD. In particular the CPDD aims at Nurturing democratic accountability¹ and good governance through the promotion of a common voice and meaningful engagement of civil society. It is in alignment with these aims the 2021-2030 10-Year Strategic Directions has been formulated. With the engagement of network members and generous support of the CPDD’s donors, we have developed a number of programs which have assisted duty-bearers and rights holders to collaborate for improved sub-national democratic development policy decisions and service delivery actions. The conclusion of the implementation period for CPDD Strategic CPDD 2018-2020 provided key insights into our strengths and areas for future improvement over the past two years. The significance of our contributions to the National Program for SNDD phase 2 (NP2) and its Implementation CPDDs (IPs), our proposed strategic focus and approaches, and the immediate and medium-term steps that we will take as an organization are highlighted. We will share this 10-year Strategic CPDD with our members, partners, and funders to explore our value-added and synergy to their work and increase partnership efforts to realize our aims.

II. Objective and scope of the audit

CPDD is seeking a qualified audit firm which is registered with the Governance Council of Accounting and Auditing Regulators (“ACAR”) to conduct a financial audit of Coalition for Partnership in Democratic Development Organization (CPDD) for financial year 2023 (**01 January 2023 – 31 December 2023**).

The statutory audit goals are to acquire reasonable assurance of the current policies and procedures pertaining to its Accounting and Internal Control System, as well as to identify issues and areas for improvement. The assignment are as follows:

Organization’s Financial Statement:

- This report is required to follow the organization’s policies and procedures and donors’ requirements.
- Conduct the organization’s financial statements audit in accordance with the Modified Cash Basic and CFRS for NFPE Standard
- Examine the evidence and supporting documentation to determine compliance with CPDD policies.

- Provide the list of audit requirements and selection sample list to CPDD two weeks in advance before the field examination.
- The review of all sample selection of financial supporting documents should be performed during the agreed schedule for audit field work at CPDD Office. CPDD will not expect the request for the second filed work with additional sample.
- Proactively follow up with CPDD team for any pending documents or clarifications in timely manners.
- Complete audits and submit audit reports by the timeframes specified in order CPDD to fulfill the ACAR deadline.
- The external auditor will issue a report with an appropriate opinion on the financial statement of CPDD in accordance with International Standards on Auditing (ISA 800/805) issued by ACAR for the organization (CPDD).
- The audit report should include the findings, implications, risks, and recommendations to improve the internal control of the organization.
- The recommendations should be discussed and agreed with the management of the organization.
- The audit firm has to ensure their quality, professional, and transparency in order to express an audit opinion on whether it is in accordance with the organization accounting records.
- The Audit report should be in English version.

ACAR's Financial Statement

- This report is required to follow the CFRS for NFPE Standard
- Follow the ACAR's template.
- The report should be in Khmer Version

III. Methodology

The methodology is appreciated to propose in the proposal. The audit firm is required to:

- The field examination is required to conduct where accounting documents are kept and extend to CPDD's sub-grantees if needed.
- The audit methodology must be extended as necessary to include, in addition to all other risks.
- assessments, documentation explaining the auditor's risk assessment for each of these areas.
- with justification if any high-risk presumptions have been rebutted and describing the responses to the final assessed risks

IV. Deliverable and Report

Annual audit reports along with management letters and management responses from CPDD. The audit firm shall make recommendations to address any weaknesses identified in the internal control areas mentioned above. The recommendations shall be presented in order of priority. The scope of the audit shall be stated in the report and the methodology used shall be presented. The report shall be signed by the responsible auditor (not just the audit firm) and shall include the title of the responsible auditor. The reporting from the auditor shall include an independent auditor's report in accordance with the format in standard ISA 800/805 and the auditor's opinion shall be clearly stated, as well as a Management Letter with audit findings and weaknesses identified during the audit process. The auditor shall, regardless of materiality, quantify the amount for costs

lacking sufficient supporting documentation. The auditor shall make recommendations to address the weaknesses identified and the recommendations shall be presented in priority order. If the auditor assesses that no findings or weakness have been identified during the audit that would result in a Management Letter, an explanation of this assessment must be disclosed in the audit reporting.

Note:

Number copy of report: 2 sets both in English and Khmer
 The audit report should be in both printed and PDF files.

V. The estimated annual budget

The tables below are the statements of receipts (incomes) and payments (disbursements):
 Budget and Expenditure (USD):

Fiscal Year	Fund Received in 2023	Expenditure as of Dec 2023 USD	Remaining Balance USD
January to December 2023	\$190,000	\$180,000	\$10,000
Total	\$190,000	\$180,000	\$10,000

VI. Timeframe of Audit field examination and delivery of reporting

The below table is expectation for audit field examination and delivery of reporting:

#	Main Activities	Duration	Responsible Persons
1	Audit Firm starts fieldwork	05 th - 9 th Feb 2024	Auditor
3	Audit Firm drafts and submits report to CPDD	20 th Feb 2024	Auditor
7	CPDD provides comments and returns to Audit Firm to finalize	21 st - 23 rd February 2024	CPDD
4	Audit Firm submits final report to CPDD	29 th February 2024	Auditor

VII. Proposal Evaluation and Basic for Award

A contract will be awarded to the bidder whose proposal is determined to be responsive to meet the selection criteria stated in this RFP, that determined to represent the best value to CPDD.

All proposals submitted in response to this RFP will be evaluated by CPDD Executive Committee. The committee will evaluate the proposals received in accordance with the evaluation criteria described below.

Selection Criteria

The selected audit firm is expected to meet the following minimum criteria:

- Must be an internationally certified and registered audit firm in Cambodia and recognized by ACAR,

- Overall experience in the not-for-profit industry and specifically within the local and international non-governmental organizations sector.
- Have a wide knowledge and experience of policies and procedures covering tax, accounting, and financial management.
- The experience, qualifications, and technical abilities of the personnel assigned to the engagement.
- Timeliness related to audit field work and submission of final audit reports.

VIII. Required Proposal documents and Technical Proposal

The selected audit firm is required to submit the following:

- A complete detail audit proposal (technical and financial) supported with the CVs of auditors who will be assigned for this audit, and
- Letter of interest that expresses of audit firm's interest to conduct the audit.
- Certificate of registration, and
- Copy of V.A.T Registration Certificate

IX. How to Apply:

Qualified audit firms who are interested in this opportunity are invited to apply by submitting electronic copies of the above required documents as below:


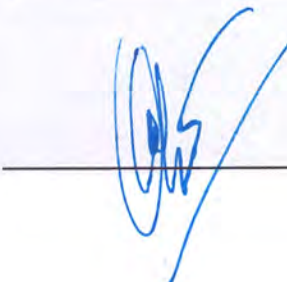
Attention to: Mr. Son Penh, Executive Director

Contact Address: Room 302, 3rd floor, Building Phnom Penh Villa#26, St. 388, Sangkat Toul Svay Prey, Khan Boeung Kengkang, Phnom Penh, Kingdom of Cambodia. Tel: +855 (77) 669 895, Email address: haf@cpddcambodia.org

Contact person: Samrith Sambo, Head of Administration and Finance

Deadline: 15th December 2023 at 5:00 PM.

X. Endorsement and Approval

	Signatures	
1) Prepared by Samrith Sambo Head of Administration and Finance	 _____	Date: <u>16/11/23</u>
2) Reviewed and endorsed by Mr. Son Penh Executive Director	 _____	Date: <u>16/11/23</u>