PUNJAB DAANISH SCHOOLS & CENTERS OF EXCELLENCE AUTHORITY

REQUEST FOR PROPOSAL (RFP)

INTERNAL AUDIT SERVICES

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Instructions to Chartered Accountant Firms

General Provisions:

a) Company detail and profile showing experience in similar field.
b) Copy of registration with ICAP.
c) Copy of certificate with regard to satisfactory QCR Rating of ICAP/SECP.
d) Copy of list of approved auditors having category "**A**" as per State Bank of Pakistan.
e) Copy of NTN & PRA Certificate.

Special Provisions:

1. Evidence of number of partners working in the chartered accountant firm (Names & Addresses etc. of partners).
2. Evidence of number of qualified chartered accountants hired by the firm (Provide list).
3. Evidence of Internal audit clients within government sector, autonomous body, NPOs (Provide list).
4. Profile of staff deployed including their qualification & experience.
5. Evidence of membership with global audit firm (Affiliation status letter).
6. Names and addresses of offices in Pakistan including key contact person in those offices.
7. Proposals should be addressed to Manager Procurement.
8. Affidavit not less than Rs.1,000/ stamp paper to the effect that the firm is not blacklisted and has no dispute with any Government organization shall be furnished.
9. Offer shall not be considered if received after the time and date fixed for its receipt.

THE BIDDING PROCESS

The selection of the firm will be carried out as per Punjab Procurement Rules 2014. Bids will be selected as a Single Stage – Two Envelope Bidding Procedure. The bidding process will be as under:

1. The bid shall be a single package consisting of two separate envelopes containing separately the financial and the technical proposals;

2. The envelopes shall be marked as "**TECHNICAL PROPOSAL**" and "**FINANCIAL PROPOSAL**" in bold and legible letters.

3. The envelope No.1 should contain the complete Technical Bid and undertaking for technical proposal submission. **Annex-B**

4. Both the above mentioned envelopes should be put in one large envelope, super scribed "This envelope contains two duly sealed envelopes containing Tender Document and the Price Bid for providing Internal Audit Services – in two separate duly sealed envelopes clearly marked so".

5. The bidder must quote his price as per format **Annex C**. The rate(s) quoted should be inclusive of out of pocket expenses and all kind of taxes and must be quoted in figure as well as in words.

6. In the first stage, only the envelope marked "TECHNICAL PROPOSAL" shall be opened and the envelope marked as "FINANCIAL PROPOSAL" shall be retained without being opened.

7. The technical proposals of all the bidders shall be evaluated. The proposals which meet all the technical eligibility criteria laid down in this document shall be eligible for participation in the financial bidding.

8. During technical evaluation no amendments in the technical proposal shall be permitted.

9. The financial proposals of technically qualified bidders shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance. The financial proposals of the rejected bidders shall be returned un- opened.

10. Both the proposals will be evaluated according to the evaluation criteria and the job will be awarded to the best evaluated bidder after a minimum of 10 working days of the opening of financial proposals.

11. The service provider will also sign an undertaking with the PDS&CE Authority in which the completion of work will be ensured as per **Annex- A.**

Terms of Reference

(TORs)

1. Authority Background:

Punjab Daanish Schools & Centers of Excellence Authority (PDS&CEA) was established under Act V of 2010 passed by the Punjab Assembly on 11 February 2010 thereafter published/notified in the Punjab Gazette (Extraordinary) on 24 February 2010. Consequently, the Authority started its functions and 16 x Daanish Schools and 11 x Center of Excellences at various locations of Punjab have so far been established. The Daanish Schools are being established with a clear vision to fight poverty through educating the gifted children of the under privileged by providing them with equal opportunities in the society. This is an affirmative action for the forgotten communities of Pakistan's poorest of the poor and aims:

a. To demonstrate that all children can excel, if given equal opportunity
b. To re kindle hope amongst the under-privileged
c. To develop ethical, value-driven future leaders
d. To fight social inequality and alleviate poverty

2. Objective of the Audit:

The objective of the internal audit:

a. Determine the accuracy and propriety of financial transactions
b. Evaluate financial and operational procedures for adequacy of internal controls and provide advice and guidance on control aspects of new policies, processes systems
c. Verify the existence of assets and ensure that proper safeguards are maintained to protect them from loss
d. Determine the level of compliance with the policies and procedures, and Government laws and regulations
e. Determine the effectiveness and efficiency of Ministry in accomplishing mission and identify operational opportunities for cost savings and revenue enhancements

3. Internal Auditors:

3.1 Scope:

The Authority intends to appoint its auditors to audit the implementation and compliance of financial & accounting policies at Head Office, 16x Daanish Schools & 11 x Center of Excellence level for the period starting from 01 January 2019 to 31 December 2021.

The auditors will check the compliance of the financial polices & procedures relating to under mentioned departments/functions:

- Accounts & Finance Department
- Human Resource & Payroll
- Administration Department (including messing)
- Procurements & Works
- Polices related student induction and verification process
- Any other item/ area related identified by the Authority

3.2 Deliverables:

Auditor will prepare and submit individual campus wise report and also for different reports for period ended 01 January 2019 and 31 December 2021.

3.3 Conduct of Work:

The auditor will be required to visit each campus separately and perform working there. At Daanish School Girls Campus female staff shall be deputed.

3.4 Important Note:

a. The auditor will submit the draft reports as mentioned in Para 3.2 to PDS&CE Authority head office.

4. Tenure & Timelines of Audit:

The auditor will be appointed for a period consisting of 01 January 2019 to 31 December 2021. The auditor is required to submit the internal audit drafts reports within a time period of 4 months from the date of the award of the contract. Further, the time may be extended up to 1 month with mutual consent.

5. Covering Letters:

Covering letter (if any) must be addressed to Manager (Procurement), Punjab Daanish School & Center of Excellence Authority, Japanese Research station, Near Punjab University, New Campus, Canal Bank, Lahore.

6. Queries:

For any queries or additional information, please contact General Manager (Finance), PDS&CE Authority on +042 9923 1738 / +923018400131.

Evaluation Criteria

The Company will use **"Quality and Cost Based Selection Method"** under **"Single Stage Two Envelope Methods"** of selection of External Auditors under Punjab Procurement Rules, 2014. Criteria for Technical and Financial Evaluation are enclosed. Scores will be allocated based on evidence available in the proposal only. The assignment for audit services will be awarded to the firm with the **highest total score** based on the following weight ratios:

- **80%** for Technical Score
- **20%** for Financial Score

Technical and Financial Evaluation

(A) Initial Screening

The following documents/ certificates are the pre-requisite and may be used for initial screening. The chartered accountant firm will go in the next stage if it fulfills all the requirement of initial screening which are as under**:**

1. The firm must be "A" ranking as per State Bank of Pakistan
2. The firm must have affiliation with one of the global audit firms
3. Declaration on stamp paper regarding non-black listing / delisting
4. Satisfactory QCR Rating of ICAP
5. NTN Certificate

(B) Technical Evaluation:

The Firms will be evaluated as per following criteria:

1. Number of Partners in the firm within Pakistan
2. Number of ICAP qualified Chartered Accountants employed by the firm in Pakistan
3. Number of Staff
4. Experience of Govt. / Semi Govt. Organization Audits
5. Number of Offices in Punjab, Pakistan

Minimum score for competing in the next stage is **80%**. The Financial Proposal of only that Chartered Accountant Firm will be opened which secured **70% or more** in the Technical Evaluation.

Number of Partners in Pakistan	Total Marks	Range of Partners	Marks
At least 2 (List of partners attached)	**15**	2-4	5
		5-7	10
		8 & Above	15
Number of professional staff in Pakistan	**Total Marks**	**Range of Staff**	**Marks**
At least 50 (List of staff to be attached)	**15**	50-60	5
		61-100	10
		100 & Above	15
Outreach to districts of Punjab	**Total Marks**	**No. of Districts**	**Marks**
At least 1 district offices in Punjab (List of district offices to be attached)	**20**	1	10
		2-4	15
		5 & Above	20
Govt. / Semi Govt. Experience	**Total Marks**	**No. of Organizations**	**Marks**
Experience of at least 2 Govt. / Semi Govt. Organization's Audit(singularly) / Special Assignment in last 5-years	**15**	Up to 4	5
		5-8	10
		9 & Above	15
Audit Experience	**Total Marks**	**No. of Organizations**	**Marks**
Firm experience	**10**	5-9	2
		10-14	4
		15-19	6
		20-24	8
		25-30	10
Proposal approach and methodology	**Total Marks**	**Key Components**	**Marks**
Address the TORs through proposed approach and methodology	**15**	Technical approach and methodology in detail	5
		Work Plan	5
		Organization and staffing	5
Year of Establishment	**Total Marks**	**No. of Years**	**Marks**
Years of Establishment	**10**	10-19	2
		20-29	6
		30 & Above	10

Financial Evaluation:

Financial Proposals of only Technically Qualified Firm will be opened. The Firm getting maximum marks on 80-20 weightage (80% for Technical and 20% for Financial) will be selected.

Max 20 Points:

The formula for determining the Financial Score is the following:

Sf = 100 x Fm / F

Where, **Sf** is the Financial Score; **Fm** is the Lowest Price and **F** the Price of the Proposal under consideration.

The weights given to the Technical (T) and Financial Proposals (F) are:

T = 0.80 and **F = 0.20**

Type of Contract

The PDS&CE Authority will enter into a lump sum contract with the successful bidder. The duration of the Contract would be from 01 January 2019 to 31 December 2021.

Payment Mode

The Authority undertakes to pay valid invoice in full within thirty (30) days from the providing of invoice as per agreed deliverable. No advance payment will be issued. 40% payment will be released on submission of draft report and rest on the submission of final report.

Budget

Budgetary provision for internal audit assignment (01st January 2019 to 31 December 2021) is Rs 5.00 Million.

Annex- A

CERTIFICATE

1. Proposal duly signed must be furnished along with the following certificate: -

   i. I/We hereby confirm to have read carefully all the terms & conditions of your Request for Proposal, due for opening on _____ for provision of Internal Audit of PDS&CE Authority at Head Office, 16 x Daanish Schools and 11 x COE level for the period of 1 January 2019 to 30 December 2021. In addition to the conditions we also agree to abide by all the special instructions mentioned in tender document. We also hereby categorically confirm that we are fully capable to provide services of external auditors as laid down in the terms of reference.

Signature: _____

Name & Address of Tenderer _____

Designation & ID Card No. _____

NTN _____ GST/ PRA Reg No. _____

Date: _____ Official Seal: _____

I. WITNESS

Signature: _____

Designation & ID Card No. _____

II. WITNESS

Signature: _____

Designation & ID Card No. _____

Annex- B

Technical Proposal Submission Form

To:

Manager (Procurement)
PDS&CE Authority

Dear Sir,

We, the undersigned offer to provide the **Internal Audit Services** in accordance with your Request for Proposal, we are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

Attached to this proposal/bid are copies of original documents specifying:

a. Profile of the Firm, including
b. Name, title, phone numbers, fax number and email of authorized representative.
c. Registration certificate of Institute of Chartered Accounts of Pakistan (ICAP).
d. Valid NTN & PNTN number.
e. Partnership registration certificate with registrar of firms.
f. Declaration on stamp paper that the firm has never been blacklisted by any Government department/authority/agency/company.
g. Annual financial statements of the firm for the last three financial years.
h. Experience of Govt. / Semi Govt. Organization Audits & Tax Advisory
i. Other documents as required in the proposal for evaluation purposes.
j. Copy of certificate with regard to satisfactory QCR Rating of ICAP/SECP.
k. Copy of list of approved Auditors having Category "A" as per State Bank of Pakistan.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification. The client and its authorized representatives are hereby authorized to conduct any inquiries or investigations to verify the statements, documents and information submitted in connection with this application, and to seek clarification from our bankers and clients regarding any financial and technical aspects. The letter of application will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information, to provide such information as deemed necessary and requested by the client or its authorized representative in order to verify statements and information provided in this application, or with regard to the resources, experience, and competence of the firm.

If negotiations are held during the period of validity of the Proposal, i.e. we undertake to negotiate on the basis of the proposed staff/facilities. Our Proposal is binding upon us and subject to the modifications resulting from Agreement negotiations.

We undertake, if our Proposal is accepted, to initiate the required services not later than the date indicated in RFP.

We understand you are not bound to accept any Proposal you receive.

Yours sincerely,

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

Annexure-C

BID PROFORMA

SR.NO.	PARTICULARS	AMOUNT(PKR)
1.	Internal audit fee	
2.	Sales Tax	
	Total Fee for Audit Services (Inclusive of All Taxes)	
	GRAND TOTAL (inclusive of all taxes) (in words)	

Note:

1. Estimated cost must be inclusive of all kind of taxes and quoted in figure as well as in words.

Signature of the Bidder with seal

Address:_____

_____