



REQUEST FOR PROPOSAL (RFP)

FOR

PROVISION OF EXTERNAL AUDIT

CLOSING DATE/TIME: 25th OCTOBER 2024 AT 16.00 HOURS

INTRODUCTION

Tanzania Education Network /Mtandao wa Elimu Tanzania (TEN/MET) is a national network of CSOs (civil society organizations) working in the education sector in mainland Tanzania. TEN/MET envisions a national education system through which every Tanzanian child has the opportunity to engage in quality education. This vision is achieved through coordinating and strengthening education Civil Society Organisations (CSOs) in Tanzania through networking, capacity building, research and advocacy.

The Network endeavours to focus on its nine thematic areas of the strategic plan. These are: Early Childhood Development, Teaching and Learning Environment, Girls Education, Child Protection and Safeguarding, Inclusive Education, Adult and Non-Formal Education, Youth Skills Development and Empowerment, Education in Emergencies and Climate Change Resilience and Education Financing These programmes are funded by different donors through core and project funding support. During the year under report, the Network received funds from different donors that requires accountability and prudence in how the funds bestowed to TEN/MET is used and how the network complies with Agreements, its policies and the International Public Sector Accounting Standards (IPSASs).

TENDER OBJECTIVES

Tanzania Education Network/Mtandao wa Elimu Tanzania (TEN/MET) seeks to appoint a reputable and independent External Audit Firm for a three-year period. The firm will be responsible for auditing TEN/MET's financial statements for the fiscal years ending 31st December 2024, 2025, and 2026. The financial statements are prepared in accordance with the International Public Sector Accounting Standards (IPSASs). The key objectives of this appointment are:

- i. To carry out a financial audit as per International Auditing Standards and express an independent opinion whether the financial statements prepared by the Network's Management give a true and fair view of the state of financial affairs of the Network in accordance with International Public Sector Accounting Standards (IPSASs);
- ii. To evaluate the effectiveness of financial, administrative, management and governance systems, controls and structures of the Network; to review the effectiveness of the Network's risk management systems and processes; and to assist with the identification of material weaknesses in the Network's system of internal controls and in its risk management framework together with suggested measures to address the identified weaknesses;
- iii. To provide professional advices which will add value to the Network's programs, governance and operating processes;
- iv. To support TEN/MET's implementation of new and applicable standards as when issued and become due in a manner that does not conflict with the independence and objectivity required of an external auditor; and
- v. To help strengthen the Network's governance, ethical and operational standards and controls.

DETAILED TERMS OF REFERENCE

A. Purpose

The purpose of this Request for Proposal (RFP) is to appoint a suitable independent External Audit firm to provide auditing services for the period of three years.

B. Background

The Network's financial statements are prepared in accordance with the International Public Sector Accounting Standards (IPSASs).

C. Scope of work

The external auditors will be required to perform the necessary audit work to enable them to express an audit opinion for each year ending 31st December on the Financial Statements and performance of the Network.

D. Application criteria

Applicants are expected to meet the following criteria:

- i. The firm should be registered and licensed by the National Board of Accountants and Auditors (NBAA) to practice financial and accounting audit as its core area of business
- ii. The firm must have a physical address and valid business permit
- iii. The firm must hold current practicing certificate issued by the NBAA
- iv. The firm should have TIN and VAT certificates issued by the Tanzania Revenue Authority
- v. The firm should show proof of relevant technical and professional qualification; proof of qualification should be in respect of all registered partners, managers and other key professionals;
- vi. The firm should demonstrate that it has the capacity, capability and experience required to undertake the audit within 14-21 days
- vii. The firm should have technical staff with at least three (3) years' experience in the audit of accounting and financial records of Non-Profit Organizations (NGOs) comparable to TEN/MET;
- viii. The firm should have at least 5 charity organizations or NGOs references among its client
- ix. Be of good reputation and standing;
- x. Specify the audit duration, estimated cost and procedures;

E. Proposal

1. Audit methodology and approach

Tenderers must, at least:

- i. Describe in detail the firm's Audit methodology/approach and technology used
- ii. Describe in detail the firm's approach to auditing areas of significant

- regulatory/IPSASs compliance exposure for non-profit organization.
- iii. Describe the firm's approach to relying on the work of internal auditors or other auditors in joint audit engagement.

2. Capacity and experience

- i. Total number of audit staff and staff that provide audit related services in the following categories: partners, managers and other,
- ii. Provide up-to-date CVs of all partners and managers that will form part of the audit team. The CVs should indicate at a minimum the level (supervisor, manager) and experiences
- iii. Provide details of names of the firm's audit engagement during the preceding 3 years in the NGOs sector.

3 Other

- i. Quality control
- ii. Describe the firm's quality control system and demonstrate that the firm has
- iii. established adequate quality control policies and procedures that comply with the
- iv. provisions of the International Standards on Auditing (ISA).
- v. Independence and objectivity
- vi. In terms of the Network's policy, the external auditors and their consulting arms or related entities may not be engaged for non-audit related work except by the specific approval of the Board of Directors on the recommendation of the management.
- vii. Provide details of any possible conflict of interest as well as other information where independence and objectivity may be compromised or at risk. Indicate how this would be managed by the firm should it be appointed as the auditor. (Please, note that should the firm be appointed auditor, the Network will review the firm's continued involvement in such consulting services).
- viii. Insurance
- ix. Provide details of local as well as international professional indemnity insurance (where applicable).
- x. Engagement letter
- xi. Provide a draft engagement letter together with the firm's standard terms and conditions for providing audit services to the Network.

F. Deliverables

This assignment is expected to generate deliverables including:

- i. An audited set of financial statements on annual basis together with the auditor's opinion thereon. The first audit under this engagement will be for the year ending 31st December 2024.
- ii. A Management Letter on an annual basis containing material weaknesses observed on the Network's governance, risk management, compliance and the totality of the system of internal controls together with the auditor's

- recommendations to address these weaknesses.
- iii. Conduct e-filing of the Network's Annual Return of Income as required by the Tanzania Revenue Authority (TRA)
 - iv. Provide endorsement to specific financial reports upon request by donors
 - v. Regular updates and notifications on developments in accounting, tax, regulations and legislation that affect, or are of interest, to the Network's programs/sector; together with assistance to the Network on their implementation and compliance, on an ongoing basis and on mutually agreed terms.
 - vi. Technical support, advice, guidance and training programs on an ongoing basis, at terms mutually agreed with the Network but without compromising the auditor's independence and objectivity.
 - vii. Be ready to support the Network to present the auditing finding in Board, AGM or to donors whenever that is required or requested

G. Contract period

The firm will be appointed for a period of three (3) years subject to the following condition: Provision of Audit Terms of Reference (ToR) and confirmation on annual basis by the Network management, based on an evaluation of the effectiveness as well as the independence and objectivity of the External Auditors.

H. Conduct of work and timetable

The work will be performed at the Network office premises (Plot No. 301, House No. 1, Lwehabura Street, Mikocheni A, Dar es Salaam).

The audit timetable is as follows:

- i. Annual audit starting from late January through March.
- ii. Audit completion/submission of 1st draft Annual Report to Management no later than mid-march
- iii. Final audited Annual Report dispatched to Directors not later than 31st March.

I. Evaluation of bids received

All proposals received will be examined to determine compliance with the RFP requirements and conditions. Proposals with obvious deviations from the requirements/conditions will be disqualified. The key assessment criteria would comprise:

- i. The Network's requirements detailed herein;
- ii. The firm should be Middle level in classification, experienced in handling and advising on Tanzania taxation policy, laws and regulation especially tax compliance requirements for NGOs
- iii. The approach, methodology, work and project plan in relation to the envisaged scope of work;
- iv. Fees;
- v. Financial standing; and
- vi. Quality and clarity of proposal presentations.
- vii. Reference might be made to previous Audited firm listed in the specific company profile

J. Tender outline

For ease of tender analysis, bidders are advised to prepare their proposals in simple and concise manner using the following outline:

- i. Executive Summary
- ii. Company Profile and Capability Statement
- iii. Approach and Work Plan
- iv. Client References
- v. Fee Estimate
- vi. Company Financial Information
- vii. Resumes of Audit Engagement Team Members
- viii. Supporting Documentation

K. Special provisions of Tender and subsequent contract

- i. The proposed total cost of the external audit service must be clearly indicated including pricing for each year and the total cost of the bid,
- ii. An overview of the audit methodology used by the bidder is required.
- iii. The successful bidder shall provide and sign a Contract/Agreement with the Network.
- iv. The Network shall verify the names and identity of directors, trustees, shareholders, enterprises, closed corporations and trusts against the proposed audit engagement staff.
- v. A due diligence process shall be conducted to determine the capability of the successful bidder to execute the contract.
- vi. Each tender shall be supported with copies tax clearance certificate.
- vii. The service provider is required to confirm that it will hold its proposal valid for 90 days from the closing date of the submission of proposals during which time it will maintain without change the personnel proposed for the services together with their proposed rates.
- viii. Quality Assurance — The successful service provider shall ensure that all work conforms to the signed contract and agreed deliverables.
- ix. Nothing as stipulated in these terms of reference may be amended without written confirmation of the Network's authorized delegates.

L. Request for clarification

Bidders may request for clarification, which must be sent in writing by surface mail or email

to: Idda Mlay

Administrative Assistant

Tanzania Education Network/Mtandao wa Elimu Tanzania (TEN/MET)

P. O. BOX 13547

Dar es Salaam

E-mail: recruitment@tenmet.or.tz

M. Disclaimer

- i. The Network reserves the right not to appoint any service provider.
- ii. The Network reserves the right to:
 1. Award the contract or any part thereof to one of the bidders.
 2. Reject all bids.
 3. Decline to consider any proposal that adjudged not to conform to any aspect of the bidding process.
 4. Request further information from any bidder after the closing date for clarity purpose.
 5. Cancel this RP or any part thereof at any time.

N. Tender Submission

Interested firms are to submit their proposals by email or, if by post or hand delivery, two copies of their proposals detailing their full profiles, qualifications, work plan, fee estimates and other requested information and documentation to reach the following address by no later than 1600hrs GMT on 25th October 2024. Only shortlisted firms will be contacted.

The National Coordinator

Tanzania Education Network/Mtandao wa Elimu Tanzania (TEN/MET)

Plot No. 301, House No. 1, Lwehabura Road,

Mikocheni A

P. O. Box 13547

Dar es Salaam

E-mail: coordinator@tenmet.or.tz and cc recruitment@tenmet.or.tz

Any proposal received by Network after the deadline for submission shall be rejected.

Wishing you good Luck.

Martha Makala
National Coordinator
TEN/MET