

## **Terms of Reference**

### **Expenditure Verification Report „ CARE- Community Assistance and Resource Empowerment”, funded by Ministry of Social Affairs, Austria**

**Project Name:** "CARE- Community Assistance and Resource Empowerment. Breaking the cycle of generational poverty in the rural communities of Republic of Moldova"

**Funding Source:** BMSGPK – *Ministry of Social Affairs, Austria*

**Implementing Entity:** A.O. CONCORDIA Proiecte Sociale

**Project Location:** Chişinău, Republic of Moldova

## **Introduction**

CONCORDIA Moldova is seeking an audit company to conduct an expenditure verification report for the project funded by BMSGPK. The audit will adhere to International Standards on Auditing (ISAs) to ensure financial statements' accuracy and compliance with contractual conditions.

## **Background Information**

The primary goal of the „**CARE- Community Assistance and Resource Empowerment**” project is to empower the rural communities and break the cycle of generational poverty in the rural communities of Republic of Moldova. The project is structured around three key pillars: support experts from the social sector, intergenerational exchange, improve the physical and emotional health of project participants. The project duration is **01.10.2024 – 30.09.2026**.

Total Amount of Project : EUR 605 472

### *Allocation:*

Concordia Moldova - 376.505 EUR

Concordia Academia – 169.568 EUR (legal entity registered in Romania, str. Stelea Spătaru nr.22, sector 3, Bucureşti)

Caritas Moldova -24.999 EUR

Concordia Austria – 34.400 EUR (the audit will be conducted in Austria)

The selected audit company shall conduct the financial audit covering the partner organization **Caritas Moldova** and the subcontracted organization **Concordia Academia**, ensuring that all financial records, transactions, and supporting documentation are reviewed. The auditor shall issue a single, consolidated audit report encompassing the financial activities of both entities as an integrated part of the general audit report of Concordia Moldova.

Project transactions – apx. 450, 26 employees involved in the project. The audit company will conduct 2 audit reports: one for the year 2024-2025 and one for the year 2025 - 2026.

## **Scope of the Financial Audit**

The Auditor is responsible to verify:

- Entity's compliance with contractual conditions.
- The correctness of the bookkeeping, documentation, and record-keeping.
- Audit on the basis of original receipts;

- The activity and time records of the employees and the allocation of the costs incurred to the items of the cost plan.
- Plausibility, efficiency and appropriateness of expenditures and budget item assignments.
- Overall financial management and legal compliance.
- Audit must show that expenditure is covered by income and thus prove that there is no double financing by external donors.
- Cancellation of the original receipts (with audit note "Funded from the subsidy funds of the BMSGPK" on all invoices and payment receipts).

#### **Expenditure Verification Report Components:**

1. Title
2. Addressee
3. Brief description of the project and partner(s)
4. An introduction including description of the audit engagement
5. Period covered by the report
6. Description of the audit method applied
7. Total amount of budgeted and actual incomes
8. Complete list of project funds transferred, including donors' names, dates and exchange rates
9. Total amount of actual expenditures verified
10. Expenditure Coverage Ratio
11. Objectives, Scope and Description of the procedures performed
12. Findings from the expenditure verification
13. Recommendations, if applicable
14. Follow up of previous recommendations, if applicable
15. Other relevant matters
16. Date of the report
17. Auditor's address and signature
18. A summary confirming that the project has been implemented properly and according to the economic and fiscal regulations of the project country.

The report must be presented in English (3 copies in English and 2 copies in Romanian).

The payments incurred in the audit report must be presented in euros.

#### **Requirements for the Auditor**

Meet at least one condition:

- Member of IFAC or committed to IFAC standards
- Registered statutory auditor in an EU member state or a third country

#### **Plan**

| <b>Activity</b>  | <b>until</b>          | <b>to</b>                        |
|--|-----------------------|----------------------------------|
| Letter/Expression of interest/offer                                  | 5/09/2025             | A.O. Concordia. Proiecte Sociale |
| Signed contract between auditor and A.O. Concordia. Proiecte Sociale | 15/09/2025            | A.O. Concordia. Proiecte Sociale |
| I. Auditing period 2024-2025   | 01/10/2024-30/09/2025 | Selected company                 |
| Sending draft audit report to A.O. Concordia. Proiecte Sociale       | 28/10/2025            | A.O. Concordia. Proiecte Sociale |
| Feedback from A.O. Concordia. Proiecte Sociale                       | 31/10/2025            | Selected company                 |

|  |                       |                                  |
|--|-----------------------|----------------------------------|
| Finalization of and transmission of the final audit report to A.O. Concordia. Proiecte Sociale | 5/11/2025             | A.O. Concordia. Proiecte Sociale |
| II. Auditing period 2025-2026  | 01/10/2025–30/09/2026 | Selected company                 |
| Sending draft audit report to A.O. Concordia. Proiecte Sociale                                 | 30/10/2026            | A.O. Concordia. Proiecte Sociale |
| Feedback from A.O. Concordia. Proiecte Sociale   | 4/11/2026             | Selected company                 |
| Finalization of and transmission of the final audit report to A.O. Concordia. Proiecte Sociale | 9/11/2026             | A.O. Concordia. Proiecte Sociale |

### Questions and Clarifications:

- If you have any questions or need clarification regarding this TOR, please submit them in writing via email to [natalia.ianioglo@concordia.md](mailto:natalia.ianioglo@concordia.md) or [olesea.bulgac@concordia.md](mailto:olesea.bulgac@concordia.md).

### Assessment Disclosure and Cost Responsibility:

- The Recipient is not obligated to disclose how proposals are assessed or provide information about the selection process to any offeror.
- Offerors are responsible for their own expenses incurred in preparing and submitting an offer under the TOR. This includes costs for functional demonstrations, meetings, and negotiations.

### Not a Contract:

- This TOR is not a contract or commitment. Submitting a proposal does not obligate the Recipient to award a contract, and the Recipient is not committed to covering any costs incurred in preparing the proposal.

### Right to Presentations and Proposal Validity:

- The Recipient reserves the right to invite short-listed offerors to make oral presentations. These presentations will be evaluated based on the same criteria.
- Proposals must remain valid for 30 days from the submission deadline.

### Delivery of Proposals:

**1. Closing Date and Time: All proposals in response to this TOR must be received by no later than 04:00 pm, local time, 5 September 2025.** (Please indicate for which project you apply). Proposals are to be submitted in hard copy (signed and stamped) and electronically (electronically signed) to: [natalia.ianioglo@concordia.md](mailto:natalia.ianioglo@concordia.md) or: A.O. "Concordia. Social Projects, Chisinau, str. A. Corobceanu 13/1, MD-2004.

### 2. Proposal Components:

#### Cover Letter

- Company competencies and experience;
- References of two non-associated referees;
- Members of the audit team holding audit certificates;
- Risk insurance (insurance policy);
- Extract from the State Register of Legal Entities.

#### Technical Proposal

- Qualifications of audit team;
- Institutional experience and past performance in projects;

### **Financial Proposal**

- Financial offer.

### **EVALUATION CRITERIA**

|    | <b>CRITERIA</b>  | <b>MAXIMUM POSSIBLE SCORE</b> |
|----|--|-------------------------------|
| 1. | Expertise and Company Competencies: <ul style="list-style-type: none"> <li>• Demonstration of Company Competencies and Experience (10 points max.);</li> <li>• References of Two Non-Associated Referees (10 points max.);</li> <li>• Qualifications (including CV + auditor's certificates to the members who hold it) of Audit Team (10 points max.);</li> </ul> | 30 points                     |
| 2. | Past Performance: <ul style="list-style-type: none"> <li>• Past Performance in Projects which would include experience in institutional projects (if any) (20 points max.);</li> </ul>   | 20 points                     |
| 3. | Most advantageous financial offer (50 points max.)   | 50 points                     |
|    | <b>Total maximum score</b>   | <b>100 points</b>             |

The Applicant that accumulates the highest score according to the evaluation criteria will be invited for the negotiation of the contract.

### **SELECTION OF APPLICANTS**

Proposals submitted under this procurement will be evaluated by Recipient committee focusing on the criteria described above.

***A.O. "Concordia. Social Projects" is exempt from VAT, which is also confirmed by art. 103 paragraph (92) - Fiscal Code - "Goods and services imported or purchased on the territory of the Republic of Moldova by non-commercial organizations meeting the requirements of art.52, for the purpose of building social assistance institutions, as well as goods and services imported or purchased on the territory of the Republic of Moldova by these non-commercial organizations for the needs of these institutions, are exempt from VAT without the right of deduction".***

*In accordance with the internal procedures regarding the processing of information with limited accessibility, Concordia will provide access to the primary documents necessary to conduct the audit, on paper (in the original) and in electronic format (access to the accounting software), at the headquarters, using the means made available, to be examined without the possibility of copying them to external media.*