



**Catholic Relief Services (CRS) – Moldova and
Ukraine Program
Scope of Work for Project Audit**

Chisinau, Moldova

December 2023

Contents

Background 3

Objectives 3

Approaches 4

Audit period 4

Location 4

Deliverables 4

Eligibility of Applicants 5

How to apply 5

Background

Catholic Relief Services (CRS) is the official international humanitarian agency of the United States Conference of Catholic Bishops (USCCB). CRS works to save, protect, and transform lives in need in more than 100 countries, without regard to race, religion, or nationality. CRS' relief and development work is accomplished through programs of emergency response, HIV, health, agriculture, education, microfinance, and peacebuilding.

In Ukraine, CRS does not implement projects directly; however, funds and supports the work of two local partners. Both are present throughout the country and are currently implementing emergency response programming in addition to on-going development work.

Catholic Relief Services (CRS) has been the lead implementing agency of the Project "Provision of Vulnerable Ukrainians with protection in accordance with humanitarian principles." Targeting 2284 individuals in Eastern and Southern Kharkiv. The Project is funded by Caritas Norway (a non-profit organization being the main donor for this project under the Royal Norwegian Ministry of Foreign Affairs) which is a member of the Caritas Internationalis (CI) confederation.

In the Donor Agreement (number# 222UKR04 – referred to as **Project** in this SoW) between Caritas Norway and CRS, the latter is required to hire an independent, public, professional auditor to conduct an audit of the expenditure, revenue, assets, and liabilities for the **Project**. The audit process will cover a period from 1 January 2023 to 30 November 2023 and obliged a total of NOK 13,055,849.34 (USD 1,273,741.38) original budget.

For this **Project** implementation, CRS has sub-awarded Caritas Spes Ukraine (a member of Caritas Internationalis). Sub-award covers approx.—84% of the total Project budget. Sub-recipients supporting documents for financial transactions will be made available in soft copies at CRS Chisinau Office (given that original documents are at the Sub-recipient's premises in Ukraine).

Objectives

The main objectives of the assignment are:

- To ensure that Project Accounts are audited according to International Standards on Auditing, ISA 800, "The Independent Auditor's Report on Special Purpose Audit Engagement".
- The audit Report must state that funds have been accounted for according to international accounting standards in line with the original project document and provide a Management Letter which shall contain any finding made during the audit of the project.
- To evaluate the adequacy of internal controls in place and provide appropriate recommendations.
- To determine that all costs charged to the program are reasonable, allocable, and allowable in accordance with the terms and conditions of the grant agreement.
- To determine that policies and procedures regarding procurement, non-procurement and property management systems are complying and conformity with the terms and conditions of the grant where applicable.
- To ensure the reliability of financial documents, timeliness, accuracy, and completeness of the financial reports.
- To ensure that resources are used to achieve the project objectives as budgeted and that the activities are carried out in conformity and in compliance with the project agreement.

- To ensure that key project objectives were met.

Approaches

Auditors should submit a draft-audit plan, outlining proposed methodology in line with the International Standards on Auditing (“ISAs”), costs, and schedule to be reviewed and authorized by CRS prior to award of the contract. As a minimum, the following processes should be incorporated in the approach:

- Entry meeting,
- Planning and risk analysis,
- Fieldwork or testing and evaluation of internal controls (substantive and compliance tests),
- Draft audit report, management letter, and exit meeting; and
- Final report with a compliance opinion.

The techniques to be used in testing and evaluating internal controls and confirming compliance with **Project** regulations and deliverables will include:

- Interviews and inquiry-non-formal,
- Inspection of documentation (including policies and procedures),
- Observation and re-performance of procedures,
- Selected testing on transactions/activities etc. and
- Analytical procedures (including ratio analysis, financial impact analysis, interrelationships in data, etc.).

Audit period

The period covered by the audit is eleven months from 1 January 2023 to 30 November 2023.

Location

The audit exercise will be carried out in the CRS Office, Chisinau, Moldova.

As noted, the implementation of the project in Ukraine and the CRS implementing partner in Ukraine (Caritas Spes) keep the original documents of the project in their office in Kyiv. CRS can provide digital copies of all documents of the project and does not require the audit team to travel to Ukraine.

Deliverables

- Management Letter: In the Report to Management, the external auditor is requested to give his professional judgment of the organization’s financial management, including the potential risks for the continuity of the organization, the accounting system, the internal control procedures and the organization’s financial reporting.
- A draft report (in **USD** and **NOK**), upon completion of fieldwork, should be submitted to CRS on or before **February 16, 2024**.
- A final audit report (in USD and NOK) should be submitted after all matters arising from the audit have been concluded on or before **February 23, 2024**.

Eligibility of Applicants

- All Applicants must meet all the following required criteria to be eligible for consideration, and the successful Applicant will be required to furnish valid evidence/documentation along with a Technical Proposal.
- Accredited/licensed under local law to provide audit services in Moldova.
- Preferably has a branch, licensed in Ukraine, or has the capacity to collaborate with other reputable firms in Moldova and Ukraine if needed.
- Possess a minimum of 10 years of professional experience in providing audit and assurance services, preferably with 3 years of expertise in auditing International Non-governmental Organizations.
- Have experienced management and senior audit professionals who are able to communicate and work with materials and personnel in English, Romanian/Russian, and Ukrainian (mostly payment supporting documents in Ukraine are in the Ukrainian language, approx.-84% of the total obliged amount).
- Established that the firm and its collaborating firms have physical presence in the implementing countries (Moldova and Ukraine).
- Possess a registration certificate under the Moldova Government.
- Possess Tax Clearance Certificate for the last 3 years.
- Financially capable of carrying out the assignment.

How to apply

Interested Applicants are requested to submit their Proposals (Technical Proposal and Financial Proposal) via email mentioned below on or before **January 9, 2024**.

Email ID: procurementmd@crs.org

Proposals can also be submitted in hard at:

Catholic Relief Services, Moldova, and Ukraine Program
Procurement Officer, Supply Chain Management/Procurement Department,
51/1 Kogalniceanu Street, Chisinau, Moldova, MD 2009

In case of any query, please contact procurementmd@crs.org