

# ЗАПИТ ЦІНОВИХ ПРОПОЗИЦІЙ

1. **Замовник:**
  - 1.1. Найменування – **Громадська організація «УКРАЇНСЬКА АКАДЕМІЯ ЛІДЕРСТВА»**
  - 1.2. Ідентифікаційний код за ЄДРПОУ 40533690
  - 1.3. Місцезнаходження 04159, м. Київ, вул. Сім'ї Кульженків, буд. 35, кв. 161  
Рахунок UA613226690000026006300389644 у ТБВБ №10026/0204 філії ГУ по місту Києву та Київській обл. АТ «Ощадбанк», МФО 322669
  - 1.4. Реєстраційний рахунок замовника
  - 1.5. Посадові особи замовника, уповноважені здійснювати зв'язок з учасниками: Крочак Олег : тел. +38067484162; e-mail: [okrochak@ual.org.ua](mailto:okrochak@ual.org.ua)

Адреса веб-сайту, на якому замовником додатково розміщується інформація про закупівлю: [www.ual.ua](http://www.ual.ua) (вкладка «Закупівлі»)
2. **Строк дії цінових пропозицій** 30 днів
3. **Інформація про предмет закупівлі:**
  - 4.1. Найменування предмета закупівлі **послуги з фінансового аудиту коштів, наданих ГО УАЛ в рамках проекту USAID/ENGAGE за період з 1 липня 2020 року до 31 грудня 2024 року з метою оцінки стану фінансової стійкості ГО УАЛ та прогресу, досягнутого на шляху до фінансової самостійності**
  - 4.2. Опис предмета закупівлі Згідно технічного завдання, що додається
  - 4.3. Строк поставки товарів або надання послуг лютий-березень 2025
5. **Подання цінових пропозицій:**
  - 5.1. Строк подання: електронною поштою на адресу: [zakupivli@ual.org.ua](mailto:zakupivli@ual.org.ua)  
до 18.12.2024
6. **Результат:** до 31.12.2024
7. **Додаткова інформація:** [Форма цінової пропозиції \(шаблон\)](#)

З питань, пов'язаних з підготовкою цінової пропозиції звертатися за тел.: (068) 28-28-100

RFQ number:  
Date announced:  
Submissions due on (date and time):  
Questions and clarifications due by  
Estimated period of performance: **February-March 2025**

# Request for Quotation (RFQ) for Financial Audit of USAID/ENGAGE Funds Spent by NGO Ukrainian Leadership Academy in July 2020-December 2024

## A. Introduction

The Ukrainian Leadership Academy (ULA) is a non-profit organization established on June 2, 2016, initially launched as a project of the Ukraine-Moldova American Enterprise Fund (formerly Western NIS Enterprise Fund) in 2015. Over the years, ULA has grown into one of Ukraine's leading youth and community development organizations. Its mission is to drive societal transformation by nurturing young leaders equipped with the skills and determination to create meaningful change. Through its educational programs and projects, ULA fosters leadership, community service, media literacy, health awareness, and cultural preservation, annually engaging thousands of youth and amplifying their impact on society. Before Russia's full-scale invasion in 2022, ULA operated seven branches across Ukraine, including Chernivtsi, Kharkiv, Kyiv, Lviv, Mariupol, Mykolaiv, and Poltava, hosting about 40 students per branch in its flagship 10-month formational program. Over 1,000 students have graduated, with the Academy reaching more than 200,000 individuals through its initiatives. Due to the war, ULA currently operates branches in Lviv and Uzhhorod and resumed activities in Kyiv in 2024. The organization is now led by Acting Head Yevheniia Mateichuk. Supported by a robust network of partners, including socially responsible businesses, local authorities, and international donors, ULA has implemented several projects with funding from entities like the EU, U.S. Department of State, and USAID.

This Request for Quotations (RFQ) is a part of the “Core-Support to CSO Ukrainian Leadership Academy” grant awarded to NGO Ukrainian Leadership Academy (hereinafter referred to as “the Organization”) in the framework of the Enhance Non-Governmental Actors and Grassroots Engagement Activity funded by USAID and implemented by Pact in Ukraine (USAID/ENGAGE). The purpose of USAID/ENGAGE is to increase citizen awareness of and engagement in civic activities at the national, subnational and local level.

The goal of this RFQ is to procure an auditing firm to carry out a full-scale financial audit of the funds provided to the Organization by USAID/ENGAGE covering the period from July 1, 2020, to December 31, 2024. The purpose of the audit is to assess the state of financial resilience of the organization and the progress it achieved on its road to self-reliance. The key question to be answered by the auditor is, “How did USAID/ENGAGE funds contributed to the Organization’s financial self-reliance?”.

## B. Requirements / Technical Specifications

The audit must be performed in accordance with [U.S. Government Auditing Standards](#), or other approved standards where applicable (see [Guidelines for Financial Audits Contracted by Foreign](#)

[Recipients](#)), and accordingly include such tests of the accounting records as are deemed necessary under the circumstances. The specific objectives of the audit of the USAID funds are to:

- 1) Express an opinion on whether the fund accountability statement for the USAID/ENGAGE-funded programs presents fairly, in all material respects, revenues received, costs incurred, and commodities directly procured by USAID/ENGAGE for the period audited in conformity with the terms of the agreements and generally accepted accounting principles or other comprehensive basis of accounting (including the cash receipts and disbursements basis and modifications of the cash basis).
- 2) Evaluate the Organization's internal controls related to the USAID/ENGAGE funded program(s), assess control risks, and identify significant deficiencies including material weaknesses.
- 3) Perform tests to determine whether the Organization complied, in all material respects, with agreement terms (including cost sharing/counterpart contributions, if applicable) and applicable laws and regulations related to the USAID/ENGAGE funded program. All material instances of noncompliance and all illegal acts that have occurred or are likely to have occurred should be identified. Such tests should include compliance requirements related to required cost-sharing contributions, if applicable.
- 4) Determine if the Organization has taken adequate corrective action on the similar 2020 audit's recommendations.
- 5) Collect additional information in the sphere of financial self-reliance that is of interest to USAID/ENGAGE.

The auditor must design audit steps and procedures in accordance with [U.S. Government Auditing Standards](#), Chapter 4, to provide reasonable assurance of detecting situations or transactions in which fraud or illegal acts have occurred or are likely to have occurred. If such evidence exists, the auditor must contact the Organization's management, as well as Pact, and should exercise due professional care in pursuing indications of possible fraud and illegal acts so as not to interfere with potential future investigations or legal proceedings.

The auditors should use the following steps as the basis for preparing the audit program and review. They are not considered all-inclusive or restrictive in nature and do not relieve the auditor from exercising due professional care and judgment.

## Pre-Audit Steps

The auditors should review the documents considered necessary to perform the audit from the following list of applicable documents:

- Pact Subaward Manual and orientation materials for USAID/ENGAGE subawardees.
- The subagreement(s) with all modifications between the USAID/ENGAGE program and the Organization.
- All subagreements between the Organization and other implementing entities, as applicable.
- The budgets, implementation letters, and written procedures approved by Pact, applicable local laws, and USAID regulations.
- USAID Automated Directives System Chapter 636 – [Program Funded Advances](#).
- 2 CFR Part 200 subpart E – [Cost Principles](#)
- USAID Automated Directives System Chapter 303mab – [Standard Provisions for non-U.S. Nongovernmental Organizations](#)
- The Organization's program financial and progress reports; charts of accounts; organizational charts; accounting systems descriptions; procurement policies and procedures; and receipt, warehousing and distribution procedures for materials, as relevant and necessary, to successfully complete the required work.
- The 2020 audit contracted by Pact and any other audits and/or financial reviews that directly relate to the objectives of this audit.
- Any other documents as necessary to successfully complete the required work.

## 1) Fund Accountability Statement

The auditor must examine the fund accountability statement for the USAID/ENGAGE program including the budgeted amounts by category and major items; the revenues received from the USAID/ENGAGE program for the period covered by the audit; the costs reported by the Organization as incurred during that period; and the commodities/technical assistance directly procured by Pact for the Organization's use. The revenues received from the USAID/ENGAGE program, less the costs incurred, after considering any reconciling items, must reconcile with the balance of cash-on-hand and/or in bank accounts. The fund accountability statement should not include cost sharing contributions provided from any source, as no cost sharing contributions were required under the terms of any of the agreements of the above subrecipients.

The auditors should prepare or assist the Organization in preparing the fund accountability statement from the books and records maintained by the Organization, but the Organization must accept responsibility for the statement's accuracy before the audit commences. The fund accountability statement should separately identify those revenues and costs applicable to the USAID/ENGAGE program agreement.

The audit should evaluate program implementation actions and accomplishments to determine whether specific costs incurred are allowable, allocable, and reasonable under the agreement terms, and to identify areas where irregularities and illegal acts have occurred or are likely to have occurred because of inadequate controls. At a minimum, the auditors shall:

1. Review costs billed to and reimbursed by Pact and costs incurred but pending reimbursement by Pact, identifying and quantifying any questioned costs. All costs that are not supported with adequate documentation or are not in accordance with the agreement terms should be reported as questioned. Questioned costs that are pending reimbursement by Pact should be identified in the notes to the fund accountability statement as not reimbursed by Pact. Questioned costs must be presented in the fund accountability statement in two separate categories (a) ineligible costs that are explicitly questioned because they are unreasonable; prohibited by the agreements or applicable laws and regulations; or not program related; and (b) unsupported costs that are not supported with adequate documentation or did not have required prior approvals or authorizations. All questioned costs resulting from instances of noncompliance with agreement terms and applicable laws and regulations must be included as findings in the report on compliance. Also, the notes to the fund accountability statement must briefly describe the questioned costs and must be cross-referenced to the corresponding findings in the report on compliance.
2. Review general and program ledgers to determine whether costs incurred were properly recorded. Reconcile direct costs billed to, and reimbursed by, Pact to the program and general ledgers.
3. Review the procedures used to control the funds, including their channeling to contracted financial institutions or other implementing entities. Review the bank accounts and the controls on those bank accounts. Perform positive confirmation of balances, as necessary.
4. Determine whether advances of funds were justified with documentation, including reconciliations of funds advanced, disbursed, and available. The auditors must ensure that all funding received by the Organization from Pact was appropriately recorded in the Organization's accounting records and that those records were periodically reconciled with information provided by Pact.
5. Determine whether program income was added to funds used to further eligible program objectives, to finance the non-federal share of the program, or deducted from program costs, in accordance with USAID regulations, other implementing guidance, or the terms and conditions of the award.
6. Review procurement procedures to determine whether sound commercial practices including competition were used, reasonable prices were obtained, and adequate control was in place over the qualities and quantities received.

7. Review direct salary charges to determine whether salary rates are reasonable for that position, in accordance with those approved by Pact when Pact's approval is required and supported by appropriate payroll records. Determine whether overtime was charged to the program and whether it is allowable under the terms of the agreement. Determine whether allowances and fringe benefits received by employees were in accordance with the agreements and applicable laws and regulations. The auditors must question unallowable salary charges in the fund accountability statement.
8. Review travel and transportation charges to determine whether they are adequately supported and approved. Travel charges that are not supported with adequate documentation or not in accordance with agreements and regulations must be questioned in the fund accountability statement.
9. Review commodities (e.g., supplies, materials, vehicles, equipment, food products, tools, etc.) procured by the Organization as well as those directly procured by Pact for the Organization's use.
10. The auditors must determine whether commodities exist or were used for their intended purposes in accordance with the terms of the agreement, and whether control procedures exist and have been placed in operation to adequately safeguard the commodities. As part of the procedures to determine if commodities were used for intended purposes, the auditors must perform end-use reviews for an appropriate sample of all commodities based on the control risk assessment. End-use reviews would normally include site visits to verify that commodities exist or were used for their intended purposes in accordance with the terms of the agreements. When conducting end-use reviews, the auditors must ensure that commodities are marked in accordance with grant or contract requirements. The cost of all commodities whose existence or proper use, in accordance with the terms of the agreements, cannot be verified must be questioned in the fund accountability statement.
11. Review technical assistance and services, whether procured by the recipient or directly procured by Pact for the Organization's use. The auditors must determine whether technical assistance and services were used for their intended purposes in accordance with the terms of the agreements. The cost of technical assistance and services not properly used in accordance with the agreements must be questioned in the fund accountability statement.  
In addition to the above audit procedures, if technical assistance and services were contracted by the recipient from a non-U.S. contractor, the auditors must perform additional audit of the technical assistance and services under this statement of work, unless the recipient has separately contracted for an audit of these costs. When testing for compliance with agreement terms and applicable laws and regulations, the auditors must not only consider the agreement between the recipient and Pact, but also any agreements between the recipient and non-U.S. contractors providing technical assistance and services. The agreements between the recipient and the non-U.S. contractors must be audited using the same audit steps described in the other paragraphs of this section, including all tests necessary to specifically determine that costs incurred are allowable, allocable, reasonable, and supported under the agreement terms.
12. If technical assistance and services were not contracted by the recipient from a non-U.S. contractor, the auditors are still responsible for determining whether technical assistance and services were used for their intended purposes in accordance with the terms of the agreements. However, the auditors are not responsible for performing additional audit steps for the costs incurred under the technical assistance and services agreements, since either USAID or a cognizant U.S. government agency is responsible for contracting for audits of these costs.

## 2) Internal Controls

The auditors should review and evaluate the Organization's internal control structure related to the USAID/ENGAGE program funds to obtain a sufficient understanding of the entity and its environment, including its internal control, to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures. In obtaining this understanding, the auditor must understand the design of the internal control related to USAID programs and determine whether they have been placed in operation. The U.S. Government

Accountability Office's [Standards for Internal Control in the Federal Government](#) (GAO/AIMD-00-21.3.1; 1999) may prove helpful in assessing recipient internal control. The internal control must be described in the audit documentation.

Auditors should then prepare the report, identifying the reportable conditions which are significant deficiencies or material weaknesses in the design or operation of the internal control structure, and the reportable conditions considered to be material weaknesses. *Material weaknesses* are reportable conditions in which the design or operation of the specific internal control structure elements do not reduce, to a relatively low level, the risk that errors or irregularities in amounts that would be material in relation to the fund accountability statement may occur and not be detected in a timely manner by management performing its normal functions. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness that is important enough to merit attention by those charged with governance. Reportable conditions, including material weaknesses, should be set forth in the report as "findings." Any other matters related to internal control – such as suggestions for improving operational or administrative efficiency or internal control, or control deficiencies that are not significant deficiencies or material weaknesses – may be reported in a separate management letter to the recipient and referred to in the report on internal control.

The major internal control components to be studied and evaluated include, but are not limited to, the controls related to each revenue and expense account on the fund accountability statement. The auditors must refer to sections 4.14–4.16 of the [Guidelines for Financial Audits Contracted by Foreign Recipients](#) in planning and conducting the review and evaluation of the Organization's internal controls. Specially, the auditors shall:

1. Obtain a sufficient understanding of the internal control to plan the audit and to determine the nature, timing and extent of tests to be performed.
2. Assess inherent risk and control risk, and determine the combined risk. *Inherent risk* is the susceptibility of an assertion, such as an account balance, to a material misstatement assuming there are no related internal control policies or procedures. *Control risk* is the risk that a material misstatement that could occur in an assertion, will not be prevented or detected on a timely basis by the entity's internal control policies or procedures. *Combined risk* (sometimes referred to as detection risk) is the risk that the auditor will not detect a material misstatement that exists in an assertion. Combined risk depends upon the effectiveness of an auditing procedure and its application by the auditor.
3. Summarize the risk assessments for each assertion in a working paper. The risk assessments must consider the following broad categories under which each assertion should be classified: (a) existence or occurrence; (b) completeness; (c) rights and obligations; (d) valuation or allocation; and (e) presentation and disclosure.

At a minimum, the working papers must identify the name of the account or assertion, the account balance or the amount represented by the assertion, the assessed level of inherent risk (high, moderate, or low), the assessed level of control risk (high, moderate, or low), the combined risk (high, moderate, or low), and a description of the nature, extent, and timing of the tests performed based on the combined risk. These summaries working papers must be cross-indexed to the supporting working papers that contain the detailed analysis of the fieldwork. If control risk is evaluated at less than the maximum level (high), then the basis for the auditor's conclusion must be documented in the working papers.

If the control risk is assessed at the maximum level for assertions related to material account balances, transaction classes, and disclosure components of financial statements when such assertions are significantly dependent upon computerized information systems, the auditors must document in the audit documentation files the basis for such conclusions by addressing (i) the ineffectiveness of the design and/or operation of controls, or (ii) the reasons why it would be ineffective to test the controls.

4. Evaluate the control environment, the adequacy of the accounting systems, and control procedures. Emphasis must be placed on the policies and procedures that pertain to the recipient's ability to record, process, summarize, and report financial data consistent with the

assertions embodied in each account of the fund accountability statement. This evaluation must include, but not be limited to, the control systems for:

- a. Ensuring that charges to the program are proper and supported.
  - b. Managing cash on hand and in bank accounts.
  - c. Procuring goods and services.
  - d. Managing inventory and receiving functions.
  - e. Managing personnel functions such as timekeeping, salaries, and benefits.
  - f. Managing and disposing of commodities (such as vehicles, equipment, and tools, as well as other commodities) purchased either by the program or directly by Pact.
  - g. Ensuring compliance with agreement terms and applicable laws and regulations that collectively have a material impact on the fund accountability statement. The results of this evaluation of this statement of work dealing with the review of compliance with agreement terms and applicable laws and regulations and presented in the compliance report.
5. Evaluate internal control established to ensure compliance with cost-sharing requirements, if applicable, including both provision and management of the contributions.
  6. Include in the study and evaluation other policies and procedures that may be relevant if they pertain to data the auditor uses in applying auditing procedures. This may include, for example, policies and procedures that pertain to nonfinancial data that the auditor uses in analytical procedures.

In fulfilling the audit requirement relating to an understanding of internal control and assessing the level of control risk, the auditor must follow, at a minimum, the guidance contained in [AICPA SAS Nos. 109 \(AU 314\)](#), entitled *Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement*, [115 \(AU 325\)](#), entitled *Communicating Internal Control Related Matters Identified in an Audit*, and [74 \(AU801\)](#) entitled *Compliance Auditing Considerations in Audits of Governmental Entities and Recipients of Governmental Financial Assistance*.

### 3) Compliance with Agreement Terms and Applicable Laws and Regulations

In fulfilling the audit requirement to determine compliance with agreement terms and applicable laws and regulations related to USAID programs, the auditors must, at a minimum, follow guidance contained in [AICPA SAS No. 74 \(AU801\)](#) entitled *Compliance Auditing Considerations in Audits of Governmental Entities and Recipients of Governmental Financial Assistance*. The auditor's report on compliance must set forth as findings all material instances of noncompliance, defined as instances that could have a direct and material effect on the fund accountability statement. Nonmaterial instances of noncompliance must be included in a separate management letter to the recipient and referred to in the report on compliance.

The auditor's report must include all conclusions that a fraud or illegal act either has occurred or is likely to have occurred. In reporting material fraud, illegal acts, or other noncompliance, the auditors must place their findings in proper perspective. To give the reader a basis for judging the prevalence and consequences of these conditions, the instances identified should be related to the universe or the number of cases examined and be quantified in terms of U.S. dollar value, if appropriate. In presenting material irregularities, illegal acts, or other noncompliance, auditors must follow the reporting standards contained in Chapter 5 of [U.S. Government Auditing Standards](#). Auditors may provide less extensive disclosure of irregularities and illegal acts that are not material in either a quantitative or qualitative sense. Chapter 4 of [U.S. Government Auditing Standards](#) provides guidance on factors that may influence auditors' materiality judgments. If the auditor concludes that sufficient evidence of irregularities or illegal acts exists, they must immediately contact the Pact Ukraine office and must exercise due professional care in pursuing indications of possible irregularities and illegal acts so as not to interfere with potential future investigations and/or legal proceedings.

Auditors should refer to section 4.20 of the [Guidelines for Financial Audits Contracted by Foreign Recipients](#) in planning and conducting the tests of compliance. The auditors shall:

1. Identify the agreement terms and pertinent laws and regulations and determine which of those, if not observed, could have a direct and material effect on the fund accountability statement. The auditors must:
  - a. List all standard and program-specific provisions contained in the agreements that cumulatively, if not observed, could have a direct and material effect on the fund accountability statement.
  - b. Assess the inherent and control risk that material noncompliance could occur for each of the compliance requirements listed in 1.a. above.
  - c. Determine the nature, timing, and extent of audit steps and procedures to test for errors, fraud, and illegal acts that provide reasonable assurance of detecting both intentional and unintentional instances of noncompliance with agreement terms and applicable laws and regulations that could have a material effect on the fund accountability statement. This must be based on the risk assessment in 1.b. above.
  - d. Prepare a summary working paper that adequately identifies each of the specific compliance requirements included in the review, the results of the inherent, control, and combined (detection) risk assessments for each compliance requirement, the audit steps used to test for compliance with each of the requirements based on the risk assessment, and the results of the compliance testing for each requirement. The summary working paper must be cross-indexed to detailed working papers that adequately support the facts and conclusions contained in the summary working paper.
2. Determine if payments have been made in accordance with agreement terms and applicable laws and regulations.
3. Determine if funds have been expended for purposes not authorized or not in accordance with applicable agreement terms. If so, the auditor must identify these costs as questioned in the fund accountability statement.
4. Identify any costs not considered appropriate, classifying and explaining why these costs are questioned.
5. Determine whether commodities, whether directly procured by the recipient or directly procured by Pact for the recipient's use, exist or were used for their intended purposes in accordance with the agreements. If not, the cost of such commodities must be questioned.
6. Determine whether any technical assistance and services, whether procured by the recipient or directly procured by Pact for the recipient's use, were used for their intended purposes in accordance with the agreements. If not, the cost of such technical assistance and services must be questioned.
7. Determine if the amount of cost sharing funds was calculated and accounted for as required by the agreements or applicable cost principles.
8. Determine if the cost sharing funds were provided according to the terms of the agreements and quantify any shortfalls.
9. Determine whether those who received services and benefits were eligible to receive them.
10. Determine whether the recipient's financial reports (including those on the status of cost sharing contributions) and claims for advances and reimbursement contain information that is supported by the books and records.
11. Determine whether the recipient held advances of Pact funds in interest-bearing accounts, and whether the recipient remitted to Pact any interest earned on those advances, except for up to \$250 a year that the recipient may retain for administrative expenses. If the recipient was required to place Pact funds in an interest-bearing bank account but did not, then the auditor should determine the amount of interest that was foregone by the recipient, and this amount should be classified as ineligible costs.

#### 4) Follow-Up on Prior Audit Report Recommendations

The auditors must review the status of actions taken on findings and recommendations reported in prior audits of USAID-funded programs. Paragraph 4.09 of [U.S. Government Auditing Standards](#) states: "Auditors should evaluate whether the audited entity has taken appropriate corrective action to address findings and recommendations from previous engagements that could have a material

effect on the financial statements. When planning the audit, auditors should ask management of the audited entity to identify previous audits, attestation engagements, financial reviews, and other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented. Auditors should use this information in assessing risk and determining the nature, timing, and extent of current audit work, including determining the extent to which testing the implementation of the corrective actions is applicable to the current audit objectives.”

The auditors must describe the scope of their work on prior audit recommendations in the summary section of the audit report. The auditors should refer to the most recent recipient contracted audit report for the same award (for a follow-up audit) or other USAID awards (for an initial audit). When corrective action has not been taken and the deficiency remains unresolved for the current audit period the auditors need to briefly describe the prior finding and status and show the page reference to where it is included in the current report. If there were no prior findings and recommendations, the auditors must include a note to that effect in this section of the audit report.

## 6) Additional learning questions

Pact would also like the auditor to collect answers to the following learning questions:

1. What financial systems and finance resource management does the organization employ?
2. Did the organization have a financial plan (annual budget) at the start of each year during the audited period of 2020-2024? How did each actual year compare? What sources of funding did they have (international donors, income generated from commercial activities, funds from private sector, endowment, membership fees, etc.)? What % of funding came from Pact?
3. Does the organization have a financial plan (annual budget) for 2025? What sources of funding do they have? What % of funding comes from Pact?
4. How do the six years mentioned above compare? Any noteworthy trends that might lead to higher or lower financial resilience?

The offeror should indicate the cost of this part of service separately in their bid.

## 7) Auditor Responsibilities

The auditors must perform the following steps:

1. Hold entrance and exit conferences with the recipient.
2. During the planning stages of an audit, communicate information to the auditee regarding the nature and extent of planned testing and reporting on compliance with laws and regulations and internal control over financial reporting. Such communication must state that the auditors do not plan to provide opinions on compliance with laws and regulations and internal control over financial reporting. Written communication is preferred. Auditors must document the communication in the working papers.
3. Institute quality control procedures to ensure that sufficient competent evidence is obtained through inspection, observation, inquiries, and confirmations to afford a reasonable basis for an opinion regarding the financial statements under audit. While auditors may use their standard procedures for ensuring quality control, those procedures must, at a minimum, ensure that:
  - a. Audit report and supporting working papers are reviewed by an auditor, preferably at the partner level, who was not involved in the audit. This review must be documented in the working papers.
  - b. All quantities and monetary amounts involving calculations are footed and cross-footed.
  - c. All factual statements, numbers, conclusions and monetary amounts are cross-indexed to supporting working papers.

4. Ascertain whether the recipient ensured that audits of its sub recipients were performed to ensure accountability for USAID/ENGAGE funds passed through to subrecipients (see paragraph 1.6 of the [Guidelines](#)). If sub recipient audit requirements were not met, the auditors must disclose this in the auditor's report on the fund accountability statement and consider qualifying their opinion.
5. Obtain a management representation letter in accordance with AICPA SAS No. 85 ([AU333](#)), SAS No. 89, and SAS No. 99 signed by the recipient's management. See Example 4.1 of the [Guidelines](#) for an illustrative management representation letter.

## C. Deliverables

The auditors shall deliver the following deliverables according to the schedule set forth below.

### Deliverable 1: Audit Work Plan

A detailed work plan outlining the work breakdown structure, including tasks, subtasks, and their owners, resources, and personnel, in addition to a detailed audit methodology and timeline for the audit identified in the scope of work. The Organization shall review and approve this deliverable in writing prior to authorizing the auditors to commence the audit.

### Deliverable 2: Report on Entrance Meetings

A detailed report of the entrance meeting with the Organization. In advance of the entrance meeting the auditor must communicate information to the auditee regarding the nature and extent of planned testing and reporting on compliance with laws and regulations and internal control over financial reporting. Such communication should state that the auditors do not plan to provide opinions on compliance with laws and regulations and internal control over financial reporting. This communication should be in the form of an engagement letter, a copy of which, signed by both the auditor and auditee, shall be included in the report.

### Deliverable 3: Quality Control Procedure Report

The auditors must institute written quality control procedures sufficient to ensure that competent evidence is obtained through inspection, observation, inquiries, and confirmations to afford a reasonable basis for an opinion regarding the financial statements under audits. Auditors may present their standard procedures for ensuring quality control provided that these procedures, at a minimum, ensure that:

1. Audit report and supporting working papers are reviewed by an auditor, preferably at the partner level, who was not involved in the audit.
2. All quantities and monetary amounts involving calculations are footed and cross-footed.
3. All factual statements, numbers, conclusions and monetary amounts are cross-indexed to supporting audit documentation.

### Deliverable 4: Draft Audit Report

The auditor shall submit to the Organization a copy of a draft audit report, in both portable document format (PDF) and as a Microsoft Word document. The format and content of the audit report should closely follow the illustrative reports on Chapter 7 of the [Guidelines for Financial Audits Contracted by Foreign Recipients](#). The audit report must specify the correct award number (s) of each award covered by the audit. The report(s) must contain:

1. A title page, table of contents and a transmittal letter and a summary which includes:

- a. A background section with a general description of the Organization, the period covered, the audit objectives, and a clear identification of all entities mentioned in the report;
  - b. The objectives and scope of the financial audit and a clear explanation of the procedures performed and the scope limitations, if any; and
  - c. A summary of the audit results on the fund accountability statement, questionable costs, internal control structure, compliance with agreement terms and applicable laws and regulations.
2. The auditor's report on the fund accountability statement, identifying any questioned costs not fully supported with adequate records or not eligible under the terms of the agreements. The report must be in conformance with the standards for reporting in Chapter 5 of the [U.S. Government Auditing Standards](#) and must include:
  - a. The auditor's opinion on whether the fund accountability statement presents fairly, in all material respects, program revenues, costs incurred, and commodities and technical assistance directly procured by Pact for the year then ended in accordance with the terms of the agreements and in conformity with generally accepted accounting principles or other basis of accounting. This opinion must clearly state that the audit was performed in accordance with [U.S. Government Auditing Standards](#) or specific alternative standards if applicable (see paragraph 2.9.d of the [Guidelines](#)). Any deviations from these standards, such as noncompliance with the requirements for continuing professional education and external quality control reviews, must be disclosed (See Example 7.1.A of the [Guidelines](#)).
  - b. The fund accountability statement identifying the program revenues, costs incurred, and commodities and technical assistance directly procured by Pact for the audited period. The statement must also identify questioned costs not considered eligible for reimbursement and unsupported, if any, including the cost of any commodities and technical assistance directly procured by Pact whose existence or proper use in accordance with agreements could not be verified. All questioned costs resulting from instances of noncompliance with agreement terms and applicable laws and regulations must be included as findings in the report on compliance. Also, the notes to the fund accountability statement must briefly describe all questioned costs and must be cross-referenced to any corresponding findings in the report on compliance (see Example 6.1 of the [Guidelines](#)). All questioned costs in the notes to the fund accountability statement must be stated in U.S. dollars. The U.S. dollar equivalent must be calculated at the exchange rate applicable at the time the local currency was disbursed to the recipient by Pact.
  - c. Notes to the fund accountability statement, including a summary of the significant accounting policies, explanation of the most important items of the statements, the exchange rates during the audit period and foreign currency restrictions, if any. In addition, a note to the fund accountability statement must state whether any interest on USAID funds was returned to Pact.
3. The auditor's report on internal control. The auditor's report must include as a minimum: (1) the scope of the auditor's work in obtaining an understanding of the internal control and in assessing the control risk, and; (2) the reportable conditions, including the identification of material weaknesses recipient's internal control. Reportable conditions must be described in a separate section (see paragraphs 5.2 through 5.4 of the [Guidelines](#)). This report must be made in conformance with [SAS No. 60](#) and the standards for reporting in Chapter 5 of [U.S. Government Auditing Standards](#). Non-reportable conditions must be communicated to the recipient in a separate management letter which must be referred to in the report on internal control and sent with the audit report (see Examples 7.2.A and 7.2.B of the [Guidelines](#)).
4. The auditor's report on the recipient's compliance with agreement terms and applicable laws and regulations related to USAID-funded programs. The report must follow the guidance in [SAS No. 74](#). Material instances of noncompliance must be described in a separate section (see paragraphs 5.2 through 5.4 of the [Guidelines](#)). Nonmaterial instances of noncompliance must be communicated to the recipient in a separate management letter, which must be sent with the audit report (see Examples 7.3.A and 7.3.B of the [Guidelines](#)). All questioned costs resulting from instances of noncompliance must be included as findings in the report on

- compliance. Also, the notes to the fund accountability statement that describe questioned costs must be cross-referenced to any corresponding findings in the report on compliance.
5. The auditor's report must include all conclusions, based on evidence obtained, that a fraud or illegal act either has occurred or is likely to have occurred. This report must include an identification of all questioned costs, if any, as a result of fraud or illegal acts, without regard to whether the conditions giving rise to the questioned costs have been corrected and whether the recipient does or does not agree with the findings and questioned costs.
  6. In reporting material fraud, illegal acts, or other noncompliance, the auditors must place their findings in proper perspective. To give the reader a basis for judging the prevalence and consequences of these conditions, the instances identified must be related to the universe or the number of cases examined and is quantified in terms of U.S. dollar value, if appropriate. In presenting material fraud, illegal acts, or other noncompliance, auditors must follow the reporting standards contained in Chapter 5 of [U.S. Government Auditing Standards](#). Auditors may provide less extensive disclosure of irregularities and illegal acts that are not material in either a quantitative or qualitative sense. Chapter 4 of [U.S. Government Auditing Standards](#) provides guidance concerning factors that may influence auditors' materiality judgments. If the auditors conclude that sufficient evidence of irregularities or illegal acts exist, they must bring it to attention of the Organization's management and Pact and exercise due professional care in pursuing indications of possible irregularities and illegal acts so as not to interfere with potential future investigations and/or legal proceedings.
  7. The auditor's comments on the status of the recommendations of the audit ordered for the organization by Pact in 2020. The auditors must review and report on the status of actions taken on findings and recommendations reported in prior audits. When corrective action has not been taken and the deficiency remains unresolved for the current audit period and is reported again in the current report, the auditors need only briefly describe the prior finding and show the page reference where it is included in the current report.
  8. If there were no prior findings and recommendations, a note to that effect must be included in this section of the audit report.
  9. The findings contained in the report on internal control and compliance must include a description of the condition (what is) and the criteria (what should be). The cause (why it happened) and effect (what harm was caused by not complying with the criteria) must be included in the findings. In addition, the findings must contain a recommendation that corrects the cause and the condition, as applicable. It is recognized that material internal control weaknesses and noncompliance found by the auditors may not always have all these elements fully developed, given the scope and objectives of the specific audit. The auditors must, however, at least identify the condition, criteria and possible effect to enable management to determine the cause and take timely and proper corrective action.
  10. Findings which involve monetary effect must:
    - a. Be quantified and included as questioned costs in the fund accountability statement, the Auditor's Report on Compliance, and cost-sharing schedule (cross-referenced).
    - b. Be reported without regard to whether the conditions giving rise to them were corrected.
    - c. Be reported whether the recipient does or does not agree with the findings or questioned costs.
    - d. Contain enough relevant information to expedite the audit resolution process (e.g., number of items tested, size of the universe, error rate, corresponding U.S. dollar amounts, etc.).
  11. The report must also contain, after each recommendation, pertinent views of responsible recipient officials concerning the auditor's findings and actions taken by the recipient to implement the recommendations. If possible, the auditor should obtain written comments. When the auditors disagree with management comments opposing the findings, conclusions, or recommendations, they should explain their reasons following the comments. Conversely, the auditors should modify their report if they find the comments valid.
  12. Any evidence of fraud or illegal acts that have occurred, or are likely to have occurred, must be included in a separate written report. This report must include an identification of all questioned costs as a result of irregularities or illegal acts, without regard to whether the

conditions giving rise to the questioned costs have been corrected or whether the recipient does or does not agree with the findings and questioned costs.

13. The auditor's summary of information received in response to additional learning questions.

### Deliverable 5: Final Audit Report

The auditors shall submit to the Organization's management a copy of the final audit report, in both portable document format (PDF) and as a Microsoft Word document. In addition to the content outlined in Deliverable 5: Draft Audit Report, the final audit report shall include all necessary corrective actions and recommendations outlining specific dates and actions for follow-up by the Organization. The final audit report shall be considered complete upon acceptance and approval by Pact.

### Deliverable 6: Report on Exit Meetings

A detailed report documenting the exit meeting with the Organization.

### Deliverable 7: Report on the Findings under Additional Learning Questions

Auditors should present a separate report on the analysis and findings resulting from the review of information with the help additional learning questions.

### Deliverable Schedule

The auditors shall submit the deliverables described above in accordance with the following preliminary schedule:

#	<b>Deliverable Name</b>	<b>Due Date</b>
1	Audit Work Plan	2/21/2025
2	Report on Entrance Meeting	2/28/2025
3	Quality Control Procedure Report	2/28/2025
4	Draft Audit Report	3/21/2025
5	Final Audit Report	4/18/2025
6	Report on Exit Meeting	4/18/2025
7	Report on the Findings under Additional Learning Questions	3/21/2025

### Inspection and Acceptance of the Audit Work and the Report

The statement of work, audit program (including detailed audit steps) and the draft report will be subject to approval and acceptance by Pact. After approval, the draft report will be discussed with the responsible officers of the Organization.

Pact is responsible for assuring that the work performed under this statement of work complies with [U.S. Government Auditing Standards](#) and the [Guidelines for Financial Audits Contracted by Foreign Recipients](#). To accomplish this objective, Pact will perform desk review on the draft audit report and may request to perform quality control review of the working papers of the final audit report received from the independent auditors.

For quality control review, the auditors must ensure that all audit records related to USAID/ENGAGE subaward(s) are available to enable Pact and the USAID Regional Inspector General auditors to complete and support their review. To this end, Pact and the USAID Regional Inspector General auditors must have access to all pertinent working papers and records of the Organization and their sub recipients and make excerpts, photocopies, and transcripts.

If Pact does not accept the report because of deficiencies in the work, the auditors must correct such deficiencies and perform any additional audit work requested at no additional cost.

## D. Eligibility

In order to be considered for award, the offerors must be currently legally operating in Ukraine and their quotation must include all of the following information:

- Ability to meet or exceed the Requirements/Technical Specifications outlined in Sections B and C;
- Ability to deliver the items/services specified in Sections B and C no later than the date(s) required.

This is a limited RFQ, so proposals shall be accepted only from the companies that are directly invited to submit quotations.

## E. Submission Instructions

The following information must be included by offerors in their quotations:

1. Entity legal documents
2. Proposal

Submissions must be forwarded in electronic format only, in PDF, Word, and/or Excel (if calculations) to [zakupivli@ual.org.ua](mailto:zakupivli@ual.org.ua) by **December 18, 2024**. Please reference the RFQ Number in the e-mail subject line. Quotations received after the deadline or at a different address will not be accepted. Proposals submitted through hard copy will not be considered.

This is a limited RFQ, so unsolicited proposals shall not be accepted.

Quotations should not contain any unnecessary promotional material.

## F. Evaluation Criteria

The Organization will award a contract resulting from this solicitation to the responsible audit firm whose quote will be best value, price, and other factors considered. The following factors shall be used to evaluate offers:

- Price;
- Delivery terms.

## G. Questions

Any questions concerning this RFQ should be sent to [zakupivli@ual.org.ua](mailto:zakupivli@ual.org.ua) by December 17, 2024. The Organization shall send answers within two workdays of this deadline.