REQUEST FOR PROPOSAL (RFP)

Provision of Micro Assessment)Assessment of the Financial Management Capacity) of Implementing Partners under Long Term Agreement (LTA)
(Process 9750)

Dear Sir / Madam:

We kindly request you to submit your Proposal for **Micro Assessment of Implementing Partners.**

Please be guided by the form attached hereto as Annex B and C, in preparing your Proposal.

Proposals, **comprising of a Technical and Financial Proposal, in separate sealed envelopes**, must be submitted on or before **no later than 31 October 2018 by 12:00 pm, Cambodia time** address below. **Late submission shall be rejected. Submission by email will not be accepted.**

UNDP Cambodia, Registry Office (Building No. 5)
No. 53, Pasteur Street, Boeung Keng Kang I
PO Box 877, Phnom Penh, Cambodia
Attn: Procurement Analyst, Procurement Unit

Your Proposal must be expressed in the English Language, and valid for a minimum period of 120 days.

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of the RFP and all other annexes providing details of UNDP requirements.

The Proposal that complies with all of the requirements, meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price shall be re-computed by UNDP, and the unit price shall prevail and the total price shall be corrected. If the Service Provider does not accept the final price based on UNDP's re-computation and correction of errors, its Proposal will be rejected.

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty-five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions indicated herein. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP in this link: http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html

Please be advised that UNDP is not bound to accept any Proposal, nor award a contract or Purchase Order, nor be responsible for any costs associated with a Service Providers preparation and submission of a Proposal, regardless of the outcome or the manner of conducting the selection process.

UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link:
http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/

UNDP encourages every prospective Service Provider to prevent and avoid conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, cost estimates, and other information used in this RFP.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link : http://www.un.org/depts/ptd/pdf/conduct_english.pdf

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

Kolap Hul
Operations Manager
17 October 2018

Annex A

Description of Requirements

Context of the Requirement	Micro Assessment)Assessment of the Financial Management Capacity) of Implementing Partners
Implementing Partner of UNDP	UNDP
Brief Description of the Required Services	As per Term of Reference
List and Description of Expected Outputs to be Delivered	The Service provider receives general information regarding the IP/RP and the programme from the HACT focal point in preparation for the assessment (see Annex I for details). The service provider reviews this documentation in advance of performing a site visit to the IP/RP. The service provider should also provide the IP with an advance request of the documents and interviews they would like to have while on site, to ensure efficient use of time while on-site. The service provider also completes the micro assessment questionnaire (Annex II, with instructions) based on the procedures performed during the assessment period. The service provider discusses the results of the questionnaire with relevant agency personnel and the HACT focal point before finalizing it. Upon finalization, the service provider delivers an executive summary, detailing the overall risk rating and specific identified risks, and the completed questionnaire. The micro assessment report is to be delivered in the format given in Annex III
Person to Supervise the Work/Performance of the Service Provider	UNDP Management Analyst
Frequency of Reporting	Weekly report.
Progress Reporting Requirements	As and when required
Location of work	Phnom Penh, Cambodia
Expected duration of work	1 Year
Target start date	From 01 December 2018 to 30 November 2019
Travels Expected	N/A

Special Security Requirements	N/A
Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)	N/A
Implementation Schedule indicating breakdown and timing of activities/sub-activities	☒ Not Required
Names and curriculum vitae of individuals who will be involved in completing the services	☒ Required
Currency of Proposal	☒ United States Dollars
Value Added Tax on Price Proposal	☒ Must be exclusive of VAT and other applicable indirect taxes
Validity Period of Proposals *(Counting for the last day of submission of quotes)*	☒ 120 days In exceptional circumstances, UNDP may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.
Partial Quotes	☒ Not permitted
Payment Terms[1]	**No** / **Deliverables/Outputs** / **Payment amount** 1 / Upon satisfactory completion of the field work / 20% 2 / Upon satisfactory completion of the final report approved by UNDP / 80%
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	UNDP Cambodia's Management Analyst

[1] *UNDP preference is not to pay any amount in advance upon signing of contract. If the Service Provider strictly requires payment in advance, it will be limited only up to 20% of the total price quoted. For any higher percentage, or any amount advanced exceeding $30,000, UNDP shall require the Service Provider to submit a bank guarantee or bank cheque payable to UNDP, in the same amount as the payment advanced by UNDP to the Service Provider.*

Preliminary Examination	UNDP shall examine the Proposals to determine whether they are complete with respect to minimum documentary requirements, whether the documents have been properly signed, whether or not the Proposer is in the UN Security Council 1267/1989 Committee's list of terrorists and terrorist financiers, and in UNDP's list of suspended and removed vendors, and whether the Proposals are generally in order, among other indicators that may be used at this stage.
Criteria for Contract Award	☒ Highest Combined Score (based on the 70% technical offer and 30% price weight distribution) The total score for each proposal will be calculated independently by the following formula: Rating the Technical Proposal (TP): **TP Rating** = (Total Score Obtained by the Offer / Max. Obtainable Score for TP) x 100 Rating the Financial Proposal (FP): **FP Rating** = (Lowest Priced Offer / Price of the Offer Being Reviewed) x 100 Total Combined Score: (TP Rating) x Weight of TP (70%) + (FP Rating) x Weight of FP (30%) **Total Combined and Final Rating of the Proposal** ☒ Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criteria and cannot be deleted regardless of the nature of services required. Non acceptance of the GTC may be grounds for the rejection of the Proposal.
Criteria for the Assessment of Proposal	**Technical Proposal (70%)** The Technical Proposal of the offerors will be evaluated based on the following criteria: The total number of points allocated for the technical proposal is 1000. The technical proposal of the offeror is evaluated based on following criteria:

No.	Summary of Technical Proposal Evaluation Forms	Points Obtainable

1	Expertise of organization	300
2	Proposed Approach and methodology	300
3	Proposed Personnel	400
	Total	1000

No.	**Technical Proposal Evaluation Form 1: Expertise of organization**	**Points Obtainable**
1	At least 5 years experience and good public reputation in the area of business	80
2	General Organizational Capability which is likely to affect implementation • Financial stability • loose consortium, holding company or one firm	70
3	Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialised skills.)	30
4	Quality assurance procedures of company	30
5	Relevance of: - Specialised Knowledge and experiences in conducting similar assessments - Experience on Similar assessments - Familiarity with the UN HACT framework - Knowledge of the UN system and development sector - Knowledge of the UN HACT Framework - Knowledge of Cambodian government's accounting and financial management system	90
	Total:	300

No.	**Proposed Approach**	**Points Obtainable**
1	To what degree does the Proposer understand the task?	50
2	Have the important aspects of the task been addressed in sufficient detail?	50
3	Is the scope of task well defined and does it correspond to the TOR?	100
4	Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	100
	Total	300

No.	Proposed personnel	Points Obtainable
1	**Task Manager:** o At least Master's Degree in accounting or financial management or accredited CPA **(20 points)** o Minimum 15 years of experience in the field of audit and institutional capacity assessment . **(35 points)** o Experiences in supervising and quality assurance of similar exercises. **(35 points)** o Familiarity with the UN HACT framework. **(20 points)** o Knowledge of the UN sector and development work. **(20 points)** o Familiarity of the Cambodia public financial management context is an advantage. **(10 points)**	140 ✓
2	**1st Team member (Assessor):** o Holding at least CPA/ACCA accreditation **(20 points).** o Minimum 10 years of experience in conducting audit and institutional capacity assessment **(40 points)** o Familiarity with the UN HACT framework **(25 points)** o Knowledge of the UN sector and development work. **(20 points)** o Familiarity of the Cambodia public financial management context is an advantage. **(10 points)** o Ability to communicate in Khmer (otherwise translator needs to be included in the proposal) **(15 points)**	130 ✓
3	**2nd Team member (Assessor):** o Holding at least CPA/ACCA accreditation **(20 points).** o Minimum 10 years of experience in conducting audit and institutional capacity assessment **(40 points)** o Familiarity with the UN HACT framework **(25 points)** o Knowledge of the UN sector and development work. **(20 points)**	130

		o Familiarity of the Cambodia public financial management context is an advantage. **(10 points)** o Ability to communicate in Khmer (otherwise translator needs to be included in the proposal) **(15 points)**	
		Total	6400

The minimum score required to pass the evaluation of technical proposal is 70% of the total obtainable score of 1,000 points.

Financial Proposal (30%)
To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.

Post Qualification Review	UNDP reserves the right to undertake a post-qualification exercise aimed at determining, to its satisfaction the validity of the information provided by the Proposer. Such post-qualification shall be fully documented and, among those that may be listed in the Terms of Reference, may include, but need not be limited to, all or any combination of the following: a) Verification of accuracy, correctness and authenticity of information provided by the Proposer on the legal, technical and financial documents submitted; b) Validation of extent of compliance to the RFP requirements and evaluation criteria based on what has so far been found by the evaluation team; c) Inquiry and reference checking with other previous clients on the quality of performance on ongoing or previous contracts completed; d) Physical inspection of the Proposer's offices, branches or other places where business transpires, with or without notice to the Proposer; and Other means that UNDP may deem appropriate, at any stage within the selection process, prior to awarding the contract.
UNDP will award the contract to:	☒ One Service Provider
Type of Contract to be Signed	☒ Purchase Order ☒ Contract Face Sheet (Goods and-or Services) UNDP (this template is also utilised for Long-Term Agreement[2] and *if LTA will be signed, specify the document that will trigger the call-off. E.g., PO, etc.)*

[2] *Minimum of one (1) year period and may be extended up to a maximum of three (3) years subject to satisfactory performance evaluation*

Contract General Terms and Conditions[3]	☒ General Terms and Conditions for de minimi contracts (services only, less than $50,000) Applicable Terms and Conditions are available at: http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html
Annexes to this RFP[4]	☒ Form for Submission of Proposal (Annex 2) ☒ Form for Submission of Financial Proposal (Annex 3) ☒ Detailed TOR ☒ Others[5] (General Terms and Conditions)
Contact Person for Inquiries (Written inquiries only)[6]	*Sereyvattaana Chan* *Procurement Analyst* *Sereyvattana.chan@undp.org; and cc: procuremet.kh@undp.org* Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.
Other Information: Required Documents for Submission	☒ **Technical Proposal:** Form for Submitting Service Provider's Technical Proposal is duly completed and signed as per **Annex-B** *(the form would allow bidders to confirm its conformity with the requirements defined in the Request for Proposal and all its attachments, as well as the provision of UNDP General Contract Terms and Conditions required under this process) and complete the information and supporting document for Qualification of Service Provider, Proposed Methodology for Completion of Service, and Qualification of Key Personnel.* ☒ **Financial Proposal**: Form for Submitting Service Provider's Financial Proposal is duly completed and signed **Technical and Financial Proposals are submitted in separate sealed envelopes.** No. of copies of Proposal that must be submitted: Original : 1 Copies : 1 1 CD ROM or USB drive containing of technical proposal should be submitted in the technical proposal envelop

[3] *Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.*
[4] *Where the information is available in the web, a URL for the information may simply be provided.*
[5] *A more detailed Terms of Reference in addition to the contents of this RFP may be attached hereto.*
[6] *This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.*

Annex B

FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL[7]

(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery[8])

[insert: *Location*].
[insert: *Date*]

To: [*insert: Name and Address of UNDP focal point*]

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the RFP dated **10/17/2018** , and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions.

[Name of the Organization submitting Proposal].....
[Signature Authorized Person and Stamp] .....
[Name of Authorized Person]..... ..
[Title of Authorized Person]..... ..

[Date].....

[7] *This serves as a guide to the Service Provider in preparing the Proposal.*
[8] *Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes*

A. Qualifications of the Service Provider

The Service Provider must describe and explain how and why they are the best entity that can deliver the requirements of UNDP by indicating the following:

a) Profile – describing the nature of business, field of expertise, licenses, certifications, accreditations;
b) Business Licenses – Registration Papers, Tax Payment Certification, etc.
c) Latest Audited Financial Statement – income statement and balance sheet to indicate its financial stability, liquidity, credit standing, and market reputation, etc. ;
d) Track Record – list of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, contract value, contact references;
e) Certificates and Accreditation – including Quality Certificates, Patent Registrations, Environmental Sustainability Certificates, etc.
f) Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.

B. Proposed Methodology for the Completion of Services

The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.

C. Qualifications of Key Personnel

If required by the RFP, the Service Provider must provide:

a) Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are supporting, etc.;
b) CVs demonstrating qualifications must be submitted if required by the RFP; and
c) Written confirmation from each personnel that they are available for the entire duration of the contract.

Annex C

FORM FOR SUBMITTING SERVICE PROVIDER'S FINANCIAL PROPOSAL[9]

(This Form must be submitted using the Service Provider's Official Letterhead[10])

[insert: Location].
[insert: Date]

To: [insert: Name and Address of UNDP focal point]

The Financial Proposal must provide a detailed cost breakdown. Provide separate figures for each functional grouping or category.

Cost Breakdown per Implementing Partner*

	Deliverables ***[list them as referred to in the RFP]***	**Percentage of Total Price** ***(Weight for payment)***	**Price** ***(Lump Sum, All Inclusive)***
1	Deliverable 1		
2	Deliverable 2		
3	....		
	Total	100%	

**This shall be the basis of the payment tranches*

[Name and Signature of the Service Provider's Authorized Person]
[Designation]
[Date

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[9] *This serves as a template to the Service Provider in submitting the Financial Proposal.*
[10] *Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes*

TERMS OF REFERENCE
Professional Service

Project Information

Assignment Title:	Micro Assessment)Assessment of the Financial Management Capacity) of Implementing Partners
UNDP Practice Area:	Financial Management
Cluster/Project:	UNDP Cambodia
Assignment Location:	Phnom Penh, Cambodia
Assignment Duration:	Long Term Agreement for 12 Months

Background and Project Description

Pursuant to the UN General Assembly Resolution 56/201 on the Triennial Policy Review of operational activities for development of the United Nations System, UNDP, UNICEF, UNFPA and WFP (the United Nations Development Group (UNDG) Executive Committee Agencies (Ex-Com Agencies) adopted a common operational framework for transferring cash to government and non-government Implementing Partners. In April 2005, the UNDG formally released a Harmonized Framework for Cash Transfers to Implementing Partners (HACT, hereinafter called as "the Framework"). Its implementation will significantly reduce transaction costs and lesson the burden that the multiplicity of UN procedures and rules creates for its partners. Implementing Partners will use common forms and procedures for requesting cash and reporting on its utilisation. Agencies will adopt a risk management approach and will select specific procedures for transferring cash on the basis of the joint assessment of the financial management capacity of Implementing Partners. They will also agree on and coordinate activities to maintain assurance over the utilisation of the provided cash. Such jointly conducted assessments and assurances activities will further contribute to the reduction of costs.

The adoption of the new harmonised approach is a further step in implementing Rome Declaration on Harmonisation and Paris Declaration on Aid Effectiveness, which call for a closer alignment of development aid and with national priorities and needs. The approach allows efforts to focus more on strengthening national capacities for management and accountability, with a view to gradual shift to utilising national systems. It will also help Agencies shape their capacity development interventions and provide support to new aid modalities.

This framework applies to the UNDG's Executive Committee Agencies (ExCom Agencies being UNDP, UNICEF, UNFPA and WFP) and other UN Agencies that choose to adopt it. It calls for an upfront assessment of the programme country's public financial management system (macro assessment) and similar assessments of Implementing Partners' (IPs) financial management capacity (micro assessment).

The HACT Framework has been revised in February 2014.

Within this context UNDP is looking for a third-party service provider to provide consultancy services for conducting an assessment of the financial management capacity for all partners (IP-Implementing Partners or RP-Responsible Parties) expected to receive cash transfers from UNDP during the Country Programme cycle 2019-23 (Refer to Annex I).

Objective and scope of the assessment

The micro assessment is performed by a third-party service provider and includes a site visit to the IP/RP's offices. The assessment primarily consists of interviews with partners' personnel and a review of relevant documentation sufficient to complete the micro assessment questionnaire (Annex II). The questionnaire provides an overall risk rating based on responses provided:

- Low risk – Indicates a well-developed financial management system and functioning control framework with a low likelihood of negative impact on the IP's ability to execute the programme in accordance with the work plan.
- Moderate Risk – Indicates a developed financial management system and control framework with moderate likelihood of potential negative impact on the IP's ability to execute the programme in accordance with the work plan.
- Significant Risk – Indicates an underdeveloped financial management system or control framework with a significant likelihood of potential negative impact on the IP's ability to execute the programme in accordance with the work plan.
- High Risk – Indicates an underdeveloped financial management system and control framework with a significant likelihood of potential negative impact on the IP's ability to execute the programme in accordance with the work plan.

The micro assessment assesses the IP/RP's financial management capacity (i.e. accounting, procurement, reporting, internal controls, etc.) to determine the overall risk rating which then inform the type and frequency of assurance activities. The risk rating, along with other available information, is also taken into consideration when selecting the appropriate cash transfer modality for an IP/IP.

Micro Assessment Procedures and Deliverables

The Service provider receives general information regarding the IP/RP and the programme from the HACT focal point in preparation for the assessment (see Annex I for details). The service provider reviews this documentation in advance of performing a site visit to the IP/RP. The service provider should also provide the IP with an advance request of the documents and interviews they would like to have while on site, to ensure efficient use of time while on-site.

The service provider also completes the micro assessment questionnaire (Annex II, with instructions) based on the procedures performed during the assessment period. The service provider discusses the results of the questionnaire with relevant agency personnel and the HACT focal point before finalizing it. Upon finalization, the service provider delivers an executive summary, detailing the overall risk rating and specific identified risks, and the completed questionnaire.

The micro assessment report is to be delivered in the format given in Annex III.

Institutional Arrangement

Under the overall guidance of the UNDP Country Director, the service provider will report to Oversight Analyst/ HACT Focal Point at UNDP Cambodia Office.

Duration of the Work

The successful service provider will commence the assignment as soon as the procurement process is completed and the contract is signed.

The assessment of Partners included in Annex I should be completed (including the site visit) within six weeks of engaging the service provider. The HACT focal point will introduce the service provider and the IP to aid coordination of the site visit.

However, the Long-Term Agreement will remain valid for 12 months for possible assessments of new IPs/RPs.

Duty Station

The assignment is home-based with expected 5 days of field work for each Partner's assessment. All field work will be conducted in Phnom Penh. Budget proposal should include related travel expenses (for international firm travel related costs from home country to Cambodia should be included in the proposal).

Minimum Qualifications of the Successful Contractor at Various Levels

The service provider should be legally registration entity and experienced in performing assessments similar to a micro assessment and assessing risks related to organizational financial management capacity (i.e. accounting, reporting, procurement and internal controls). The service provider should also have knowledge of the United Nations system and the development sector. Knowledge of Cambodian government's accounting and financial management system is an advantage.

The proposal should include CV of a Task manager who will oversee the work and ensure the quality of the deliverables and CVs at least 2 team members (Assessors) who will undertake the assessments include conducting field mission, data collection and interviews as required to complete the Micro Assessment Questionnaire and other deliverables.

Minimum Qualifications of "Task Manager":

Education:	At least Master's Degree in accounting or financial management or accredited CPA
Experience:	• Minimum 15 years of experience in the field of audit and institutional capacity assessment. • Experiences in supervising and quality assurance of similar exercises. • Familiarity with the UN HACT framework. • Knowledge of the UN sector and development work • Familiarity of the Cambodia public financial management context is an advantage.
Competencies:	Demonstrated ability to achieve results under time pressure

Minimum Qualifications of "Team member (Assessor)":

Education:	Holding at least CPA/ACCA accreditation
Experience:	• Minimum 10 years of experience in conducting audit and institutional capacity assessment • Familiarity with the UN HACT framework. • Knowledge of the UN sector and development work • Familiarity of the Cambodia public financial management context is an advantage • Ability to communicate in Khmer (otherwise translator needs to be included in the proposal)
Competencies:	Demonstrated ability to achieve results under time pressure

CVs of all members should include details on engagements carried out by relevant staff, including ongoing assignments indicating responsibilities assumed by them and their qualifications and experience in undertaking similar assessments.

Scope of Bid Price and Schedule of Payments

a) The contract price is a fixed output-based price regardless of extension of the herein specific duration.
b) In the computation of contract price please include professional fees, inclusive of travel, living allowances, and taxes. UNDP will not be responsible for travel costs from the Consultants country of residence and will only cover travel from Barbados to OECS member states.
c) The Consultant will receive payment upon satisfactory completion of deliverables specified below:

20%	Upon completion of field work
80%	Final payment upon approval of the final report

Documents

UNDP HACT Focal Point will provide the following document/Information before the start of fieldwork:

- Latest HACT Macro Assessment Report (An assessment of Cambodia' Public Information System)
- Work plan, Common Country Assessment and Country Programme Document 2019-23;
- Macro assessments previously performed in the country;
- Reports of any financial or internal control audits and spot checks previously performed on the IP;
- List of IPs/RPs to be assessed and Programme information (**Annex I**)
- Micro Assessment Questionnaire (**Annex II**)
- Any other documentation that may help the service provider better understand the country context from a United Nations perspective.

The third-party service provider should review the information received before performing the assessment.

Micro-assessment workbook

Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
1. Implementing Partner						
1.1 Is the IP legally registered? If so, is it in compliance with registration requirements? Please note the legal status and date of registration of the entity.					Error	
1.2 If the IP received United Nations resources in the past, were significant issues reported in managing the resources, including from previous assurance activities.					Error	
1.3 Does the IP have statutory reporting requirements? If so, are they in compliance with such requirements in the prior three fiscal years?					Error	
1.4 Does the governing body meet on a regular basis and perform oversight functions?					Error	
1.5 If any other offices/ external entities participate in implementation, does the IP have policies and process to ensure appropriate oversight and monitoring of implementation?					Error	
1.6 Does the IP show basic financial stability in-country (core resources; funding trend) ***Provide the amount of total assets, total liabilities, income and expenditure for the current and prior three fiscal years.***					Error	
1.7 Can the IP easily receive funds? Have there been any major problems in the past in the receipt of funds, particularly where the funds flow from government ministries?					Error	
1.8 Does the IP have any pending legal actions against it or outstanding material/significant disputes with vendors/contractors? *If so, provide details and actions taken by the IP to resolve the legal action.*					Error	
1.9 Does the IP have an anti-fraud and corruption policy?					Error	
1.10 Has the IP advised employees, beneficiaries and other recipients to whom they should report if they suspect fraud, waste or misuse of agency resources or property? If so, does the IP have a policy against retaliation relating to such reporting?					Error	
1.11 Does the IP have any key financial or operational risks that are not covered by this questionnaire? If so, please describe. *Examples: foreign exchange risk; cash receipts.*					Error	
Total number of questions in subject area:	**11**					
Total number of applicable questions in subject area:	**11**					
Total number of applicable key questions in subject area:	**5**					
Total number of risk points:	**0**					
Risk score	**0**					
Area risk rating	**Low**					

Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
2. Programme Management						
2.1. Does the IP have and use sufficiently detailed written policies, procedures and other tools (e.g. project development checklist, work planning templates, work planning schedule) to develop programmes and plans?					Error	
2.2. Do work plans specify expected results and the activities to be carried out to achieve results, with a time frame and budget for the activities?					Error	
2.3 Does the IP identify the potential risks for programme delivery and mechanisms to mitigate them?					Error	
2.4 Does the IP have and use sufficiently detailed policies, procedures, guidelines and other tools (checklists, templates) for monitoring and evaluation?					Error	
2.5 Does the IP have M&E frameworks for its programmes, with indicators, baselines, and targets to monitor achievement of programme results?					Error	
2.6 Does the IP carry out and document regular monitoring activities such as review meetings, on-site project visits, etc.					Error	
2.7 Does the IP systematically collect, monitor and evaluate data on the achievement of project results?					Error	
2.8 Is it evident that the IP followed up on independent evaluation recommendations?					Error	
Total number of questions in subject area:	**8**					
Total number of applicable questions in subject area:	**8**					
Total number of applicable key questions in subject area:	**2**					
Total number of risk points:	**0**					
Risk score	**0**					
Area risk rating	**Low**					

Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
3. Organizational Structure and Staffing						
3.1 Are the IP's recruitment, employment and personnel practices clearly defined and followed, and do they embrace transparency and competition?					Error	
3.2 Does the IP have clearly defined job descriptions?					Error	
3.3 Is the organizational structure of the finance and programme management departments, and competency of staff, appropriate for the complexity of the IP and the scale of activities? Identify the key staff, including job titles, responsibilities, educational backgrounds and professional experience.					Error	
3.4 Is the IP's accounting/finance function staffed adequately to ensure sufficient controls are in place to manage agency funds?					Error	
3.5 Does the IP have training policies for accounting/finance/ programme management staff? Are necessary training activities undertaken?					Error	
3.6 Does the IP perform background verification/checks on all new accounting/finance and management positions?					Error	
3.7 Has there been significant turnover in key finance positions the past five years? If so, has the rate improved or worsened and appears to be a problem?					Error	
3.8 Does the IP have a documented internal control framework? Is this framework distributed and made available to staff and updated periodically? If so, please describe.					Error	
Total number of questions in subject area:	**8**					
Total number of applicable questions in subject area:	**8**					
Total number of applicable key questions in subject area:	**3**					
Total number of risk points:	**0**					
Risk score	**0**					
Area risk rating	**Low**					

Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
4. Accounting Policies and Procedures						
4a. General						
4.1 Does the IP have an accounting system that allows for proper recording of financial transactions from United Nations agencies, including allocation of expenditures in accordance with the respective components, disbursement categories and sources of funds?					Error	
4.2 Does the IP have an appropriate cost allocation methodology that ensures accurate cost allocations to the various funding sources in accordance with established agreements?					Error	
4.3 Are all accounting and supporting documents retained in an organized system that allows authorized users easy access?					Error	
4.4 Are the general ledger and subsidiary ledgers reconciled at least monthly? Are explanations provided for significant reconciling items?					Error	
4b. Segregation of duties						
4.5 Are the following functional responsibilities performed by different units or individuals: (a) authorization to execute a transaction; (b) recording of the transaction; and (c) custody of assets involved in the transaction?					Error	
4.6 Are the functions of ordering, receiving, accounting for and paying for goods and services appropriately segregated?					Error	
4.7 Are bank reconciliations prepared by individuals other than those who make or approve payments?					Error	
4c. Budgeting system						
4.8 Are budgets prepared for all activities in sufficient detail to provide a meaningful tool for monitoring subsequent performance?					Error	
4.9 Are actual expenditures compared to the budget with reasonable frequency? Are explanations required for significant variations from the budget?					Error	
4.10 Is prior approval sought for budget amendments in a timely way?					Error	
4.11 Are IP budgets approved formally at an appropriate level?					Error	

4d. Payments						
4.12 Do invoice processing procedures provide for: **· Copies of purchase orders and receiving reports to be obtained directly from issuing departments?** **· Comparison of invoice quantities, prices and terms with those indicated on the purchase order and with records of goods/services actually received?** **· Checking the accuracy of calculations?**					Error	
4.13 Are payments authorized at an appropriate level? Does the IP have a table of payment approval thresholds?					Error	
4.14 Are all invoices stamped '*PAID*', approved, and marked with the project code and account code?					Error	
4.15 Do controls exist for preparation and approval of payroll expenditures? Are payroll changes properly authorized?					Error	
4.16 Do controls exist to ensure that direct staff salary costs reflects the actual amount of staff time spent on a project?					Error	
4.17 Do controls exist for expense categories that do not originate from invoice payments, such as DSAs, travel, and internal cost allocations?					Error	
4e. Policies and procedures						
4.18 Does the IP have a stated basis of accounting (i.e. cash or accrual) and does it allow for compliance with the agency's requirement?					Error	
4.19 Does the IP have an adequate policies and procedures manual and is it distributed to relevant staff?					Error	

4f. Cash and bank						
4.20 Does the IP require dual signatories / authorization for bank transactions? Are new signatories approved at an appropriate level and timely updates made when signatories depart?					Error	
4.21 Does the IP maintain an adequate, up-to-date cashbook, recording receipts and payments?					Error	
4.22 If the partner is participating in micro-finance advances, do controls exist for the collection, timely deposit and recording of receipts at each collection location?					Error	
4.23 Are bank balances and cash ledger reconciled monthly and properly approved? Are explanations provided for significant, unusual and aged reconciling items?					Error	
4.24 Is substantial expenditure paid in cash? If so, does the IP have adequate controls over cash payments?					Error	
4.25 Does the IP carry out a regular petty cash reconciliation?					Error	
4.26 Are cash and cheques maintained in a secure location with restricted access? Are bank accounts protected with appropriate remote access controls?					Error	
4.27 Are there adequate controls over submission of electronic payment files that ensure no unauthorized amendments once payments are approved and files are transmitted over secure/encrypted networks?					Error	
4g. Other offices or entities						
4.28 Does the IP have a process to ensure expenditures of subsidiary offices/ external entities are in compliance with the work plan and/or contractual agreement?					Error	
4h. Internal audit						
4.29 Is the internal auditor sufficiently independent to make critical assessments? To whom does the internal auditor report?					Error	
4.30 Does the IP have stated qualifications and experience requirements for internal audit department staff?					Error	
4.31 Are the activities financed by the agencies included in the internal audit department's work programme?					Error	
4.32 Does the IP act on the internal auditor's recommendations?					Error	
Total number of questions in subject area:	**32**					
Total number of applicable questions in subject area:	**32**					
Total number of applicable key questions in subject area:	**19**					
Total number of risk points:	**0**					
Risk score	**0**					
Area risk rating	**Low**					

Subject area (*key questions in* ***bold***)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
5. Fixed Assets and Inventory						
5a. Safeguards over assets						
5.1 Is there a system of adequate safeguards to protect assets from fraud, waste and abuse?					Error	
5.2 Are subsidiary records of fixed assets and inventory kept up to date and reconciled with control accounts?					Error	
5.3 Are there periodic physical verification and/or count of fixed assets and inventory? If so, please describe?					Error	
5.4 Are fixed assets and inventory adequately covered by insurance policies?					Error	
5b. Warehousing and inventory management						
5.5 Do warehouse facilities have adequate physical security?					Error	
5.6 Is inventory stored so that it is identifiable, protected from damage, and countable?					Error	
5.7 Does the IP have an inventory management system that enables monitoring of supply distribution?					Error	
5.8 Is responsibility for receiving and issuing inventory segregated from that for updating the inventory records?					Error	
5.9 Are regular physical counts of inventory carried out?					Error	
Total number of questions in subject area:	**9**					
Total number of applicable questions in subject area:	**9**					
Total number of applicable key questions in subject area:	**2**					
Total number of risk points:	**0**					
Risk score	**0**					
Area risk rating	**Low**					

Subject area *(key questions in **bold**)*	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
6. Financial Reporting and Monitoring						
6.1 Does the IP have established financial reporting procedures that specify what reports are to be prepared, the source system for key reports, the frequency of preparation, what they are to contain and how they are to be used?					Error	
6.2 Does the IP prepare overall financial statements?					Error	
6.3 Are the IP's overall financial statements audited regularly by an independent auditor in accordance with appropriate national or international auditing standards? If so, please describe the auditor.					Error	
6.4 Were there any major issues related to ineligible expenditure involving donor funds reported in the audit reports of the IP over the past three years?					Error	
6.5 Have any significant recommendations made by auditors in the prior five audit reports and/or management letters over the past five years and have not yet been implemented?					Error	
6.6 Is the financial management system computerized?					Error	
6.7 Can the computerized financial management system produce the necessary financial reports?					Error	
6.8 Does the IP have appropriate safeguards to ensure the confidentiality, integrity and availability of the financial data? *E.g. password access controls; regular data back-up.*					Error	
Total number of questions in subject area:	**8**					
Total number of applicable questions in subject area:	**8**					
Total number of applicable key questions in subject area:	**3**					
Total number of risk points:	**0**					
Risk score	**0**					
Area risk rating	**Low**					

Subject area (*key questions in* ***bold***)	Yes	No	N/A	Risk Assessment	Risk points	Remarks/comments
7. Procurement and Contract Administration						
7a. Procurement						
7.1 Does the IP have written procurement policies and procedures?					Error	
7.2 Are exceptions to procurement procedures approved by management and documented ?					Error	
7.3 Does the IP have a computerized procurement system with adequate access controls and segration of duties between entering purchase orders, approval and receipting of goods? Provide a description of the procurement system.					Error	
7.4 Are procurement reports generated and reviewed regularly? Describe reports generated, frequency and review & approvers.					Error	
7.5 Does the IP have a structured procuremet unit with defined reporting lines that foster efficiency and accountability?					Error	
7.6 Is the IP's procurement unit resourced with qualified staff who are trained and certified and considered experts in procurement and conversant with UN / World Bank / European Union procurement requirements in addition to the a IP's procuredment rules and regulations?					Error	
7.7 Have any significant recommendations related to procurement made by auditors in the prior five audit reports and/or management letters over the past five years and have not yet been implemented?					Error	
7.8 Does the IP require written or system authorizations for purchases? If so, evaluate if the authorization thresholds are appropriate?					Error	
7.9 Do the procurement procedures and templates of contracts integrate references to ethical procurement principles and exclusion and ineligibility criteria?					Error	
7.10 Does the IP obtain sufficient approvals before signing a contract?					Error	
7.11 Does the IP have and apply formal guidelines and procedures to assist in identifying, monitoring and dealing with potential conflicts of interest with potential suppliers/procurement agents? If so, how does the IP proceed in cases of conflict of interest?					Error	

7.12 Does the IP follow a well-defined process for sourcing suppliers? Do formal procurement methods include wide broadcasting of procurement opportunities?					Error	
7.13 Does the IP keep track of past performance of suppliers? E.g. database of trusted suppliers.					Error	
7.14 Does the IP follow a well-defined process to ensure a secure and transparent bid and evaluation process? If so, describe the process.					Error	
7.15 When a formal invitation to bid has been issued, does the IP award the contract on a pre-defined basis set out in the solicitation documentation taking into account technical responsiveness and price?					Error	
7.16 If the IP is managing major contracts, does the IP have a policy on contracts management / administration?					Error	
7b. Contract Management - To be completed only for the IPs managing contracts as part of programme implementation. Otherwise select N/A for risk assessment						
7.17 Are there personnel specifically designated to manage contracts or monitor contract expirations?					Error	
7.18 Are there staff designated to monitor expiration of performance securities, warranties, liquidated damages and other risk management instruments?					Error	
7.19 Does the IP have a policy on post-facto actions on contracts?					Error	
7.20 How frequent do post-facto contract actions occur?					Error	
Total number of questions in subject area:	**20**					
Total number of applicable questions in subject area:	**20**					
Total number of applicable key questions in subject area:	**5**					
Total number of risk points:	**0**					
Risk score	**0**					
Area risk rating	**Low**					

Totals	
Total number of questions:	**96**
Total number of applicable questions:	**96**
Total number of applicable key questions:	**39**
Total number of risk points:	**0**
Total risk score	**0**
Overall risk rating	**Low**