

Request for Proposals for Auditing Services

The OHR is requesting proposals from qualified professional auditing firms to conduct a professional review of policies and procedures applied in the subdivision for the Procurement in the Budget and Finance Department of the Brcko District and propose how to improve the practices, coordination and communication in all aspects of preparation of tenders, evaluation and contract award as per the BiH Law on Procurement and other relevant regulations.

The tender information is given in the following order:

- I) Background**
- II) Proposal Submission Conditions**
- III) Selection and Award**
- IV) Proposal Submission and Deadline**
- V) Statement of Work**

I - Background

Brcko District

The Brcko District is a single administrative unit of local self-government existing under the sovereignty of Bosnia and Herzegovina. Brcko is placed under international supervision (Brcko Final Award / Brcko Arbitration – August 18, 1999, available at OHR website: www.ohr.int).

The Brcko District Government serves an area of 493 square kilometres with a population of ca. 90,000. The Brcko District Government has a total budget of KM 200 million and manages and finances capital projects and procurement of all needed materials and supplies. Organizational chart of the Brcko District Government is available at www.brcko.ba.

II - Proposal Submission Conditions

The proposal must be in English, and include one original and one copy.

Proposals shall contain the following:

1. **Name and address of the company**, contact phone number, e-mail and name of the contact person.
2. **Work scheduling proposal** with the earliest start date and latest date for completion.
3. **Description and methodology for the performance of the audit, control reviews, preparation of the draft report, and follow-up and final report formulation.** The draft audit report shall be submitted promptly to OHR for review after the audit and study data collection has been finished. **Remark:** All supporting documents collected during the fieldwork are part of the contract and must be provided with the (draft) final version. The final version of the Audit should be available for OHR 4 weeks after OHR has reviewed the draft and necessary and requested corrections have been incorporated. Alternatively, the contractor should provide a time schedule following the above-mentioned time frame; this schedule is subject to approval by OHR.
4. **Detailed CVs of team members to conduct the audit.**
5. **Client list of other audits similar in scope, with contact details for at least 3 named individuals to whom the OHR can refer for personal references.**
6. **Detailed break down of costs and terms of payment in EURO.** The price shall include all costs related to

the work such as audit fees and out-of-pocket expenses (travel, accommodation, subsistence and other costs). OHR standard payment terms are by bank transfer 30 days after delivery/final report and upon receipt of an invoice.

7. The proposal must be valid for acceptance for 90 days, and the price fixed for the duration of the contract.
8. OHR is a diplomatic organisation within Bosnia and Herzegovina and is exempt from payment of all taxes and duties associated with purchases. Your price should therefore be free of all such taxes and duties.

III - Selection and Award

The bids will be considered by the OHR against the stated scope of work, the individuals and methodology proposed, price, timeframe, and any other relevant elements. The OHR team may wish to interview bidders.

OHR reserves the right to enter into negotiations with any bidder or to end the Tender without awarding the contract. OHR will not bear any costs of bidders related the preparation of proposal.

IV - Proposal Submission and Deadline:

The proposal should be in sealed envelope, clearly marked "REQUEST FOR PROPOSALS FOR AUDITING SERVICES" and delivered **NO LATER than 16th July 2006 to the following address:**

OHR

Head of Logistics

Emerika Bluma 1

71000 Sarajevo,

Bosnia and Herzegovina

Questions:

We believe you have all the information necessary to prepare your proposal, but any questions or requirements for clarification, should be in writing only to the Head of Logistics on e-mail: tender@ohr.int, and not to other officers of OHR. It is in all bidders interest to register their intention to bid so that everyone may receive answers to any questions put by other bidders. Please address this registration to e-mail: tender@ohr.int.

V Statement of Work

The intention of the audit is to conduct a review of at least 20 different projects and disbursements of District funds with a complete overview of processes and practices applied. In addition this would include a recommendation on how to improve the actual work and division of responsibilities between the subdivision for Procurement and respective Departments make recommendations on the actual work of the Procurement Subdivision and various tender commissions.

The audit should review the entire process of public procurement as executed by BD Government, including but not necessarily be limited to:

- Review of drafting of tender documentation
- Issuance of procurement notices
- Composition and criteria of tender commission(s)
- Assessment of the work process of the tender commissions (attendance at the meetings, time frame for making final decision/recommendation to the Mayor, content and format of records form the meetings, decision making process, etc)
- Examine, in detail, procurement procedures, criteria applied and results in 9 different projects,

those being:

- Consultancy of the restructuring of the BD Government
 - Procurement of medicinal apparatuses
 - Audit of the 2004 BD Budget Audit
 - Consultancy on providing services for physical and technical security
 - Project design and construction of the school of Grbavica
 - Consultancy on providing consultancy services for development of a concept and legal framework for management and disposal of public property in BD
 - Reconstruction of the Ficibajer pool
 - Reconstruction of the city football stadium
 - Construction of the Phase II Archive Building
- In addition to that, Audit should examine, in detail, procurement procedures, criteria applied and results in 11 different projects, one per each BD Government Department, chosen at random.

In addition to that, audit should review:

- Compliance with the BiH Law on Procurement and other relevant regulations
- Complaints, validity and end result vis-à-vis 20 selected projects
- Relationship and collaboration between the Procurement Subdivision and other departments including tender commission(s)
- Recommendation on improvement of work and coordination
- Other unforeseen deliverables