# TERMS OF REFERENCE (TORS) FOR 3RD PARTY AUDIT

1) Assessment of the need for the project
2) Project evaluation at different phases of project's life and operations.
3) Assessment of the project's cost and efficiency
4) Assessment of the project 's outcome or impact (i.e., what it has actually achieved)
5) Assessment of the project's implementation – whether it is / was implemented according to plan?
6) Assessment of project design
7) Assessment of materials utilization
8) The evaluator will submit a report on the Lessons Learnt
9) Evaluation of the management, quality and technical methods and procedures used in the project and recommendations for changes
10) Assess the results of the project against what it was intended to achieve
11) Examine the records of the completed project to assess the quality of its management.
12) The external auditor is expected to prepare and submit the following:
    i) Evaluation of Formulation and Design of the scheme
    ii) A statement of accounting policies
    iii) A statement of performance policies and Operational Performance report
    iv) Balance Sheets for all financial years in which the scheme was executed (Project Life)
    v) Verified Income and Expenditure Statements
    vi) Notes on the Financial Statements
    vii) A Letter of Management Report
    viii) Socioeconomic Impact
    ix) Environmental Impact
    x) Impact on Institutions and Policy
    xi) Assessment reports on integration of the system with all the major interventions
13) Complete financial / commercial audit of the Project, procurement of inventory & stock as well as physical verification thereof as per relevant rules notified by the Finance Department from time to time on the subject
14) Audit of the Revolving Fund Account (RFA)
15) How long the firm is into this business
16) Experience of public sector audit
17) Audits done for the last three years [Number of organization and amounts]
18) Audit for more than PKR 1.00 Billion during last year
19) International exposure / presence

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*i. Evaluators must understand the cognitive styles of decision makers*
*ii. Evaluators must respect stakeholders' project commitments*
*iii. Utilization and dissemination plans should be part of the evaluation design*

# EVALUATION CRITERIA FOR THE PROSPECTIVE BIDDERS

**Total Marks=125** **Qualifying Marks 87.5 or 70%**

- **Type of Firm** **[10]**
  - **a)** Public Limited Co 10
  - **b)** Private Limited Co 07
  - **c)** Proprietary 05

- **Firm's standing** **[20]**
  - **a)** International 20
  - **b)** National 15
  - **c)** Local 10

- **Experience of Audit work** **[15]**
  - **a)** Morethan 10-years 15
  - **b)** Between 5-10 years 10
  - **c)** 0-5 years 05

- **Financial strength based on average turn over of atleast 03-years** **[15]**
  - **a)** PKR 100 Millions and above 15
  - **b)** PKR 50 to 100 Millions 10
  - **c)** PKR 10 to 50 Millions 05

- **Type of Experience** **[15]**
  - **a)** Public & Private Sector Audit 15
  - **b)** Public Sector audit 10
  - **c)** Private Sector 07

- **Scope of Audit work done**
  - **Part-I** **[10]**

    **a)** Projects / procurement over 1000 Millions 10
    **b)** Projects /procurements between 500-1000 Millions 07
    **c)** Projects /procurements between 100- Millions 05

  - **Part-I** **[10]**

    **a)** Design, Scope, implementation & finance 10
    **b)** Design & Scope 07
    **c)** Implementation & Finance 05
    **d)** Finance 03

- **Human Resource** **[30]**

  **a)** Qualified Chartered Accountant (or equivalent) on permanent pay roll 10
    - More than 05 Chartered Accountant 10
    - Between 03-05 Chartered Accountant 07
    - Between 01-02 Chartered Accountant 04

  **b)** Legal specialist 07

  **c)** Project Management specialist 05

  **d)** Inventory management specialist 05

  **e)** Service delivery specialist 03