



Date: 19 October 2009

**Clarification of RFP – Addendum No. 1**  
**Pre-Bid meeting Minutes**  
**Audit Services of the Deprived Families Economic Empowerment Program (DEEP)**

Date & Time	13 October 09 @ 12:00hrs
Location	UNDP office in Ramallah
Attendance	
UNDP/PAPP - DEEP	Mohammad Dodin –Project Assistant Iya Nabulsi – Microfinance Specialist Rana Al-Khateeb – Finance & Administration Officer
UNDP/PAPP Procurement Unit	Nakhleh Antar – Procurement Analyst.
Contractors	Firas Abu Alteen (Talal Abu Ghazaleh Co.), Yousef Hamoudeh & Ala' Fillyan (The Palestinian Co for Audit and Accounting/ Al Abbas and Co.). Abed Allah Sabat & Dana Schweil (Ernst & Young).

Dear Participants,

This correspondence pertaining to the above-mentioned project; should be considered as an integral part of the tender documents. Below, please find the UNDP/PAPP official replies to all inquires raised by participant bidders during the pre-bid meeting held on 13 October 2009 @ 12:00hrs in UNDP Offices in Al-Bireh-Ramallah.

**Clarification Request for Proposal (RFP) Letter**

- The audit works will be divided into two phases the first one will covers the years 2006, 2007 and 2008 as one lot, and the second one will covers the next two years 2009 and 2010 on annual basis.
- The majority of the audit works for phase one will be focus on the fiscal year 2008 for the following reasons :
  1. Transactions during 2006 and 2007 related meanly to project offices establishment, workshops to launch the program and staff members hiring.
  2. During the 4<sup>th</sup> quarter in year 2007 the first advances proceeds were transferred to the NGOs (Implementing Agencies).
- During the year 2008 the Implementing Agencies/NGOs submitted their 1<sup>st</sup> Liquidation Report requesting the 2<sup>nd</sup> advance; all these liquidation reports are kept at UNDP offices in Ramallah.
- Each NGO is defined as a project in the CDRs.



- The audit scope of works will focus on the NGOs liquidation reports which covered the payments made from UNDP, it is not the audit firm responsibility to audit the NGOs unrelated files but it is relevant to make field visits to some of them if needed.
- The audit firm will not prepare Audited Financial Statements for the NGOs.
- The audit proposals should include a clear and detailed Action Plan complies with the assignment time frame indicated in the RFP.
- The audit will be in three sights : UNDP – Jerusalem to check transactions related to the project , UNDP – Ramallah to check Liquidation Reports and Gaza to check liquidation reports related to Gaza Based activities NGOs( three NGOs only)
- For the implementing agencies which have branches in Gaza prepare consolidated liquidation reports before submission i.e. all Gaza documents are attached vide the same liquidation report.
- For the Microfinance NGOs the audit scope of work will focus on checking that loans are used in the purpose indicated in the loan agreements, the microfinance loans were lent during the current years 2008 & 2009.

▪ **Other clarifications:**

- 1. Para 10 of section C page “5 of 14”(number of copies):** No. of hard copies in words is different than in numbers ( “2” in numbers and “three” in words) . Our understanding is that 2 hard copies are required: an original and a copy. Kindly confirm.

**Two hard copies one original and one copy.**

- 2. Para 15 and 17 of section D pages “6&7 of 14” (Evaluation Criteria and evaluation of competitiveness of financial proposals):**

(a) Para 15 states that “*the minimum of 36 threshold points on the substantive presentation shall be reviewed for price*” whereas para 17 states that “*... ..the minimum of 42 points i.e 70% of the total 60 points shall be reviewed for competitiveness of financial...*”). Kindly clarify.

**70% of the 60 points is 42 points which is the minimum.**

(b) Para 17 states that “*..... the total amount of financial component is 40, in which these points are considered 30% of the total evaluation value*”. Para 15-17 conclude that the evaluation will be based on 40 points for financial and 60 points for technical, which means 40% for financial vs. 60% for technical. Kindly clarify.

**40 points = 30 % and the 60 points =70 %.**

- 3. Attachment III: General Conditions of Contract for professional services:**

Para 8 and 10 page “10 of 14” respectively in relation to “*Insurance and liabilities to third parties*” and “*Title of equipment*”: Kindly clarify their relevance to this audit assignment.

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**This is a general condition, where this part is not relevant to the audit assignment.**

- 4. Opening of proposals:** will opening be in presence of the bidders? Will the bidders be notified of the results of the technical evaluation, and invited for the opening of the financial proposals? In case of technical proposals not passing the minimum qualifying score, will the unopened financial offers be returned to the concerned bidders? (we noted under para 8 of section B page "5 of 14" *that the UNDP will not return proposals received*) and we wonder whether this also applies to the financial offers in case of technical proposals not passing the minimum qualifying score. Please clarify.

**No bidders will be invited to the technical opening. Only bidders who pass the technical evaluation will be invited to the financial opening.  
Bidder who failed to pass the technical evaluation will be excluded from the financial opening, and their financial bids will remain closed.**

- 5. Para B of the TOR page 7 (table under budget):** the budget for capacity building reads "2,00,000" while based on the total of "29,700,000", it should read 2,000,000. Please confirm.


**That is right the amount allocated for capacity building is USD 2,000,000**

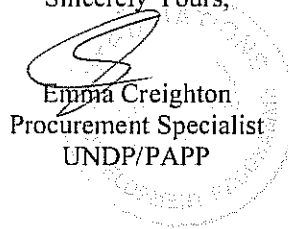
- 6. Para E of the TOR page 9 (Audit services required):** This para excludes expenditures made by UN agencies from the audit scope; it makes reference to para 2b of section D page 8, however, para 2b does not refer to exclusion of expenditures made by a UN agency, it excludes expenditures made by the UNDP as part of the support services. Our understanding is that all expenditures made by UN agencies are outside the scope of the audit and that the UN agencies expenditure statement for the year will be used to verify the mathematical accuracy of the CDR similar to the expenditures made by the UNDP as part of the support services (as mentioned under para E of the TOR). Please confirm.

Confirmed, please note in para.2 section D page 8 defined the UNDP disbursements in two categories:  
a) Direct payments and b) UNDP Support Services

**For your kind attention and reference**

Sincerely Yours,

  
Emma Creighton  
Procurement Specialist  
UNDP/PAPP



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