

## Request for Proposals (RFP) for Hiring of an Internal Auditor

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### Important Dates:

- **Date of RFP Publication:** October 09, 2024
  - **Last Date for Proposal Submission:** October 27, 2024, 6:00 PM
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### Introduction:

Bharat Rural Livelihoods Foundation (BRLF) is an autonomous body established in 2013 under the Ministry of Rural Development through a Union Cabinet decision by the Government of India. With a vision to transform the lives and livelihoods of the most vulnerable populations across India, BRLF serves as a platform to foster and facilitate civil society action in partnership with the government and people's institutions.

BRLF's primary objective is to bridge the gap between program outlays and outcomes, improve the implementation of government flagship programs, provide grant support to civil society organizations (CSOs), and promote partnerships for inclusive, sustainable development. While BRLF has a pan-India mandate, it prioritizes its efforts in tribal geographies, particularly in the Central Indian Tribal Belt and Northeast India.

To achieve its goals, BRLF employs a networked approach that brings together various key stakeholders, including government agencies, private philanthropies, public and private sectors under Corporate Social Responsibility (CSR) initiatives, Civil Society Organizations (CSOs), and Community-Based Organizations (CBOs and PRIs). This collaborative model is designed to harness the collective strengths of these institutions, facilitating the design and scale-up of effective rural development initiatives.

### RFP Objective:

BRLF seeks proposals from Chartered Accountant (CA) firms to conduct an internal audit at its headquarters in Delhi. The objective of this audit is to provide an independent assessment of the organization's financial management, internal controls, and compliance mechanisms to ensure that BRLF's financial operations align with its mission and stakeholders' expectations.

The audit will cover the books of accounts for three consecutive financial years, beginning from FY 2024-25. However, the engagement will initially be for one year, with a renewal option for the remaining two years, subject to satisfactory performance and management approval.

### Purpose of the Internal Audit:

The purpose of the internal audit is to:

1. Provide an independent and objective assessment of BRLF's financial records.
2. Assess the internal controls in place and identify any risks in BRLF's operations.
3. Recommend measures for mitigating risks and enhancing the efficiency of internal controls.
4. Ensure the fairness and accuracy of accounting and financial statements.
5. Verify compliance with grant agreements, statutory obligations, and internal policies.
6. Review the adequacy and effectiveness of financial management systems for the benefit of BRLF's stakeholders.

A **Risk-Based Approach (RBA)** is recommended for conducting the audit, as it is the contemporary methodology for ensuring a focused, systematic assessment of the organization's financial and operational processes.

#### **Scope of Work:**

The internal audit will be conducted in accordance with the relevant standards applicable to autonomous bodies and Technical Guidance on NPO Accounting and Audit by the Institute of Chartered Accountants of India (ICAI). The scope of work is as follows:

1. **Compliance with MoU and Donor Conditions:** Review whether BRLF has adhered to the conditions stipulated in its MoU with the Ministry of Rural Development (MoRD) and other donors.
2. **Fund Utilization:** Verify that funds have been utilized economically, efficiently, and for the purposes intended.
3. **Expenditure Verification:** Ensure that all expenditures are made in compliance with applicable policies and are supported by adequate documentation.
4. **Financial Record Maintenance:** Assess whether complete and accurate financial records are maintained in accordance with Rule 17AA of the Income Tax Act.
5. **Preparation of Financial Statements:** Check if the accounts are prepared using consistent accounting principles and give a true and fair view of the financial position of BRLF.
6. **Review of Internal Controls:** Examine the adequacy of internal controls and suggest corrective actions where necessary.

7. **Statutory and Regulatory Compliance:** Ensure that BRLF complies with applicable statutory requirements, such as taxation and FCRA regulations.
8. **Procurement Procedures:** Verify that procurement of goods, works, and services is in line with General Financial Rules (GFR) provisions.
9. **Asset Verification:** Maintain records of assets created by BRLF, conduct physical verification of a sample, and comment on its utilization.
10. **Risk Assessment:** Evaluate internal and external risks and recommend mitigation strategies.
11. **Other Support Services:** In exceptional circumstances, provide assistance in issuing audited utilization certificates for donor grants, income tax assessments, and other legal opinions.

**Eligibility Criteria:**

Proposals are invited from firms that meet the following criteria:

1. The firm must be empaneled with the Comptroller and Auditor General of India (CAG) for the current financial year (2024-25).
2. The firm must have a minimum of 10 years of practice.
3. Prior experience in conducting internal audits for the Non-Profit Sector.

**Proposal Submission Requirements:**

Firms are requested to submit separate technical and financial proposals. Proposals must include:

**1. Technical Proposal:**

- Profile of the firm, including legal status, number of partners, and infrastructure.
- Details of empanelment with CAG for FY 2024-25.
- Relevant experience in the Non-Profit Sector.
- CVs of key staff members who will be involved in the audit.
- Approach and methodology for conducting the internal audit.

**2. Financial Proposal:**

- Fee for conducting the internal audit assignment.
- Any other costs associated with additional support services.

**Evaluation Criteria:**

The evaluation will be based on a **Quality and Cost-Based Selection (QCBS)** method. Proposals will be scored as follows:

**Technical Evaluation (60 Marks)**

1. **Credentials of the CA Firm:** 15 marks
2. **Experience in the NGO Sector:** 15 marks
3. **Infrastructure and Manpower Capability:** 15 marks
4. **Approach & Methodology:** 15 marks

**Financial Evaluation (40 Marks)**

The technical and financial proposals will be evaluated separately. Proposals scoring at least 50% on the technical parameters will be considered for the financial evaluation. The firm with the highest combined weighted score will be considered the most responsive bidder.

**Submission Process:**

Interested firms must submit their proposals via email to [procurement@brlf.in](mailto:procurement@brlf.in) by **October 27, 2024, 6:00 PM**. Please mention "Proposal for Hiring CA Firm as Internal Auditor of BRLF" in the subject line.

For any clarifications or queries, please reach out to us at [procurement@brlf.in](mailto:procurement@brlf.in) or call 011 4606 1935.