



## **Partners in Population and Development (PPD)**

**An Inter-Governmental Organization**

**Promoting South-South Cooperation**

### **Terms of Reference (TOR)**

#### **Conducting 3 Years (2021-23) External Audit of PPD**

##### **Background**

Partners in Population and Development (PPD) is an inter-governmental organization of 27 developing countries, created for the purpose of improving/accelerating the transfer of knowledge, expertise and skills in the field of reproductive health, population and development through promoting South-South Cooperation.

The mission of the PPD alliance is to Expand and Improve South-South collaboration in the fields of Reproductive Health, Population and Development. Each Partner of the Alliance will strengthen institutional capacity to undertake South-South exchange activities and rapidly expand the number of South-South trainings and consultative programmes, and long-term collaborative arrangement will be encouraged. As PPD Charter Page 14, EXTERNAL AUDITORS ARTICLE XI says, “The financial audit of the operations of PPD shall be conducted annually and every three years by an independent international affiliated accounting firm in accordance with Generally, Accepted Accounting Principles (GAAP). The recruitment of the audit firm shall follow PPD procurement policies and procedures.”

Accordingly, the current 3 years external audit for the period from 2021 to 2023 is due to be conducted in 1<sup>st</sup> quarter of 2024 and to be submitted to the next governance meetings for review and directions.

##### **Objective of the External Audit**

1. To review all financial, administrative and program activities and express an independent professional opinion with regard to efficiency, effectiveness of the PPD secretariat’s overall operation and functions.
2. To explore the efficiency of the financial management and internal control framework of the PPD secretariat in this regard in accordance with the rules, regulations and provisions.
3. To explore the status of compliance of the adopted PPD policy, manuals, charter, by-law and any other provisions, if any.
4. To identify the critical weakness and scope of the areas for improvement and provide specific recommendations for improvement accordingly.

### **3. Scope of the External Audit**

#### **3.1 General Aspects to be covered**

- I. Annual Financial Status of last 3 years (income and expenditure) with recovery status of deficiency/debt.
- II. Implementation/compliance of adopted policies, manuals, charter, by-law, etc. of the PPD approved in 2018.
- III. Implantation status of approved annual budget in accordance with the approved work plan.
- IV. Human Resource Plan, staffing system, staff recruitment, promotion and procurement process in compliance with PPD polices.
- V. Performance Appraisal of the staffs (including ED) in accordance with approved Job Description.
- VI. Internal control system, monitoring, accountability and transparency as per the policy compliance
- VII. Salary, benefits, increment made as per the policy for all the staffs/officers
- VIII. Overseas travel and policy compliance.
- IX. Resource mobilization from Member Country Contributions and donors, initiative and establishment of linkage with donors.
- X. Implementation status of recommendations pertaining to previous 3 years (2018-20) audit reports.

#### **3.2 Comments, observation and recommendation on the following**

- I. Budget implementation compared with approved work plan and budget variance analysis highlighting the annual audit reports findings for last 3 years (2021-23)
- II. Status of resource mobilization for implementation of Strategic Plan at country level.
- III. Endowment fund management and recovery trends with policy compliance
- IV. Risk of PPD Secretariat in concerning Governance and Operation, and financial sustainability for promoting South-South Cooperation in regard to the mandate of PPD in the field of reproductive health, population and development.
- V. Linkage between the books of accounts and the financial statements.
- VI. Expenditure on advocacy for resource mobilization.
- VII. Procurement process in compliance with PPD policies
- VIII. Overall financial management, operational management and the sustainability of the PPD compared with other international organization.
- IX. Accounting records, procedures, systems and controls that were examined during the course of the audit.
- X. Areas of weakness/deficiencies in the implementation of approved budget and make recommendations for overcome/improvement.

#### **3.3 Specific Issues to be evaluated:**

- I. Operation and Governance system, reporting system to the Chair Office, Executive Committee and the Board in line with protocol and policy compliance.
- II. Practices of the operation and functions
- III. Organogram and job description and practices.

- IV. Fund Management, items of the budget, income and expenditure.
- V. Payments of administrative bills and expenditure and day to day cash management, Policy Implementation nature, Board Decisions Implementation's nature, (how it reports to Board) verify with implementation.
- VI. Budget Planning, approval and Implementation nature
- VII. Member country contribution (trend of contribution and outstanding contribution).
- VIII. Status of implementation of Core Program Activities at Country level and trends.
- IX. Income expenditure, closing balance and opening balance (for last 3 years).
- X. Trends of organization of governance meetings (Meeting of Executive Committee, Board, PCC, and other) and trends of expenditure.
- XI. Trends of organization of International Seminar/workshops consultative meetings and their budget.
- XII. Trends of depositing endowment funds as per the policy.
- XIII. Travel cost, DSA and relevance of the travels.
- XIV. Rights, obligation and functionality of Procurement Committee, Senior Management Team, etc.

#### **4 Audit Period**

The External Audit work will cover the period of January 2020 to December 2023.

#### **5 Audit Duration**

The external audit works shall be completed within 22 working days from the date of commencement of the audit.

#### **6. Deliverables**

On completion of the external audit, the Auditor will submit 5 (five) original copies of the Audit Report shall be submitted by the selected Audit Firm within the period of 'audit duration' to the PPD secretariat.

#### **7. Qualification of the Audit Firm**

Internationally Accredited Chartered Accounting Firm located outside Bangladesh to conduct Three Years' External Audit (2021-2023) of PPD. Previous experience in conducting audit of similar nature in Inter-governmental organization/UN is preferable.

#### **8. Audit Fees**

The audit fees will be fixed through a competitive bidding process and will be paid by PPD.