Lima, March 17th, 2014

Subject: RFQ for PR3156227

Dear Prospective Quoter:

The American Embassy, Lima, Peru, has a requirement for a contractor to provide financial audit of resources implemented under Cooperative Agreement S-INLEC-CA-12-CA-041-A001 with CEPTIS. The Request for Proposal (RFP) consists of the following sections:

1. Standard Form SF-18
2. Basic information, specifications and technical qualifications.
3. Instructions (Quotation rules and evaluation method)

The Embassy plans to award a purchase order. You are encouraged to make your proposal competitive. You are also cautioned against any collusion with other potential offerors with regard to price quotations to be submitted. The RFP does not commit the American Embassy to make any award. The Embassy may cancel this RFP or any part of it.

Please read the RFP carefully, and if you are interested, submit your quotation. Return the completed SF-18 to the address shown in Block 5a of the SF-18 by ***April 04, 2014.*** Oral quotations will not be accepted.

Sincerely,

Ann DeLong Greenberg
A/GSO

Enclosure:

As Stated.

REQUEST FOR QUOTATION (THIS IS NOT AN ORDER)	THIS RFQ ☐ IS ☒ IS NOT A SMALL BUSINESS SET-ASIDE	PAGE 1 OF PAGES 1

1. REQUEST NO.	2. DATE ISSUED	3. REQUISITION/PURCHASE REQUEST NO.	4. CERT. FOR NAT. DEF. UNDER BDSA REG. 2 AND/OR DMS REG. 1	RATING
	03/12/2014	PR3156227		

5a. ISSUED BY	6. DELIVER BY (Date)
INL Procurement Unit	04/04/2014

5b. FOR INFORMATION CALL (NO COLLECT CALLS)			7. DELIVERY
NAME	TELEPHONE NUMBER		☐ FOB DESTINATION ☒ OTHER (See Schedule)
	AREA CODE	NUMBER	9. DESTINATION
MARIA EUGENIA DEL SOLAR	511	618-2183	a. NAME OF CONSIGNEE: Embajada de los Estados Unidos America

8. TO:			
a. NAME	b. COMPANY		b. STREET ADDRESS: Av. Lima Polo cda. 2 s/n, Monterrico,Surco
c. STREET ADDRESS			c. CITY: Lima
d. CITY	e. STATE	f. ZIP CODE	d. STATE / e. ZIP CODE: Lima 33

10. PLEASE FURNISH QUOTATIONS TO THE ISSUING OFFICE IN BLOCK 5a ON OR BEFORE CLOSE OF BUSINESS (Date)	IMPORTANT: This is a request for information and quotations furnished are not offers. If you are unable to quote, please so indicate on this form and return it to the address in Block 5a. This request does not commit the Government to pay any costs incurred in the preparation of the submission of this quotation or to contract for supplies or service. Supplies are of domestic origin unless otherwise indicated by quoter. Any representations and/or certifications attached to this Request for Quotation must be completed by the quoter.
04/04/2014	

11. SCHEDULE (Include applicable Federal, State and local taxes)

ITEM NO. (a)	SUPPLIES/ SERVICES (b)	QUANTITY (c)	UNIT (d)	UNIT PRICE (e)	AMOUNT (f)
1	CEPTIS EXTERNAL AUDIT 2014 Conduct a Financial Audit of resources implemented under Cooperative Agreement S-INLEC-CA-12-CA-041-A001 with CEPTIS since April 15,2012 up to April, 2014	1	EA		0.00

12. DISCOUNT FOR PROMPT PAYMENT	a. 10 CALENDAR DAYS (%)	b. 20 CALENDAR DAYS (%)	c. 30 CALENDAR DAYS (%)	d. CALENDAR DAYS NUMBER	PERCENTAGE

NOTE: Additional provisions and representations ☐ are ☐ are not attached.

13. NAME AND ADDRESS OF QUOTER			14. SIGNATURE OF PERSON AUTHORIZED TO SIGN QUOTATION	15. DATE OF QUOTATION
a. NAME OF QUOTER				
b. STREET ADDRESS			16. SIGNER	
			a. NAME (Type or print)	b. TELEPHONE AREA CODE
c. COUNTY				
d. CITY	e. STATE	f. ZIP CODE	c. TITLE (Type or print)	NUMBER

AUTHORIZED FOR LOCAL REPRODUCTION
Previous edition not usable

STANDARD FORM 18 (REV. 6-95)
Prescribed by GSA-FAR (48 CFR) 53.215-1(a)

BASIC INFORMATION, SPECIFICATIONS AND TECHNICAL QUALIFICATIONS.

Item	Technical Information	UND.	QTY
1	Financial Audit of resources implemented under Cooperative Agreement S-INLEC-CA-12-CA-041-A001 with CEPTIS since April 2012 to April 2014	EA	1

52.212-1 Instructions to Offerors—Commercial Items.

As prescribed in 12.301(b)(1), insert the following provision:

INSTRUCTIONS TO OFFERORS—COMMERCIAL ITEMS (JUL 2013)

(a) *North American Industry Classification System (NAICS) code and small business size standard.* The NAICS code and small business size standard for this acquisition appear in Block 10 of the solicitation cover sheet (SF 1449). However, the small business size standard for a concern which submits an offer in its own name, but which proposes to furnish an item which it did not itself manufacture, is 500 employees.

(b) *Submission of offers.* Submit signed and dated offers to the office specified in this solicitation at or before the exact time specified in this solicitation. Offers may be submitted on the SF 1449, letterhead stationery, or as otherwise specified in the solicitation. As a minimum, offers must show—

(1) The solicitation number;

(2) The time specified in the solicitation for receipt of offers;

(3) The name, address, and telephone number of the offeror;

(4) A technical description of the items being offered in sufficient detail to evaluate compliance with the requirements in the solicitation. This may include product literature, or other documents, if necessary;

(5) Terms of any express warranty;

(6) Price and any discount terms;

(7) "Remit to" address, if different than mailing address;

(8) A completed copy of the representations and certifications at FAR 52.212-3 (see FAR 52.212-3(b) for those representations and certifications that the offeror shall complete electronically);

(9) Acknowledgment of Solicitation Amendments;

(10) Past performance information, when included as an evaluation factor, to include recent and relevant contracts for the same or similar items and other references (including contract numbers, points of contact with telephone numbers and other relevant information); and

(11) If the offer is not submitted on the SF 1449, include a statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation. Offers that fail to furnish required representations or information, or reject the terms and conditions of the solicitation may be excluded from consideration.

(c) *Period for acceptance of offers.* The offeror agrees to hold the prices in its offer firm for 30 calendar days from the date specified for receipt of offers, unless another time period is specified in an addendum to the solicitation.

(d) *Product samples.* When required by the solicitation, product samples shall be submitted at or prior to the time specified for receipt of offers. Unless otherwise specified in this solicitation, these samples shall be submitted at no expense to the Government, and returned at the sender's request and expense, unless they are destroyed during preaward testing.

(e) *Multiple offers.* Offerors are encouraged to submit multiple offers presenting alternative terms and conditions or commercial items for satisfying the requirements of this solicitation. Each offer submitted will be evaluated separately.

(f) Late submissions, modifications, revisions, and withdrawals of offers.

(1) Offerors are responsible for submitting offers, and any modifications, revisions, or withdrawals, so as to reach the Government office designated in the solicitation by the time specified in the solicitation. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office on the date that offers or revisions are due.

(2)(i) Any offer, modification, revision, or withdrawal of an offer received at the Government office designated in the solicitation after the exact time specified for receipt of offers is "late" and will not be considered unless it is received before award is made, the Contracting Officer determines that accepting the late offer would not unduly delay the acquisition; and—

(A) If it was transmitted through an electronic commerce method authorized by the solicitation, it was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of offers; or

(B) There is acceptable evidence to establish that it was received at the Government installation designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers; or

(C) If this solicitation is a request for proposals, it was the only proposal received.

(ii) However, a late modification of an otherwise successful offer, that makes its terms more favorable to the Government, will be considered at any time it is received and may be accepted.

(3) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the offer wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(4) If an emergency or unanticipated event interrupts normal Government processes so that offers cannot be received at the Government office designated for receipt of offers by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation or other notice of an extension of the closing date, the time specified for receipt of offers will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume.

(5) Offers may be withdrawn by written notice received at any time before the exact time set for receipt of offers. Oral offers in response to oral solicitations may be withdrawn orally. If the solicitation authorizes facsimile offers, offers may be withdrawn via facsimile received at any time before the exact time set for receipt of offers, subject to the conditions specified in the solicitation concerning facsimile offers. An offer may be withdrawn in person by an offeror or its authorized representative if, before the exact time set for receipt of offers, the identity of the person requesting withdrawal is established and the person signs a receipt for the offer.

(g) *Contract award (not applicable to Invitation for Bids)*. The Government intends to evaluate offers and award a contract without discussions with offerors. Therefore, the offeror's initial offer should contain the offeror's best terms from a price and technical standpoint. However, the Government reserves the right to conduct discussions if later determined by the Contracting Officer to be necessary. The Government may reject any or all offers if such action is in the public interest; accept other than the lowest offer; and waive informalities and minor irregularities in offers received.

(h) *Multiple awards*. The Government may accept any item or group of items of an offer, unless the offeror qualifies the offer by specific limitations. Unless otherwise provided in the Schedule, offers may not be submitted for quantities less than those specified. The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit prices offered, unless the offeror specifies otherwise in the offer.

(i) Availability of requirements documents cited in the solicitation.

(1)(i) The GSA Index of Federal Specifications, Standards and Commercial Item Descriptions, FPMR Part 101-29, and copies of specifications, standards, and commercial item descriptions cited in this solicitation may be obtained for a fee by submitting a request to—

GSA Federal Supply Service Specifications Section
Suite 8100
470 East L'Enfant Plaza, SW
Washington, DC 20407

Telephone (202) 619-8925
Facsimile (202) 619-8978.

(ii) If the General Services Administration, Department of Agriculture, or Department of Veterans Affairs issued this solicitation, a single copy of specifications, standards, and commercial item descriptions cited in this solicitation may be obtained free of charge by submitting a request to the addressee in paragraph (i)(1)(i) of this provision. Additional copies will be issued for a fee.

(2) Most unclassified Defense specifications and standards may be downloaded from the following ASSIST websites:

(i) ASSIST (http://assist.daps.dla.mil).

(ii) Quick Search (http://assist.daps.dla.mil/quicksearch).

(iii) ASSISTdocs.com (http://assistdocs.com).

(3) Documents not available from ASSIST may be ordered from the Department of Defense Single Stock Point (DoDSSP) by—

(i) Using the ASSIST Shopping Wizard (http://assist.daps.dla.mil/wizard);

(ii) Phoning the DoDSSP Customer Service Desk (215) 697-2179, Mon-Fri, 0730 to 1600 EST; or

(iii) Ordering from DoDSSP, Building 4, Section D, 700 Robbins Avenue, Philadelphia, PA 19111-5094, Telephone (215) 697-2667/2179, Facsimile (215) 697-1462.

(4) Nongovernment (voluntary) standards must be obtained from the organization responsible for their preparation, publication, or maintenance.

(j) *Data Universal Numbering System (DUNS) Number.* (Applies to all offers exceeding $3,000, and offers of $3,000 or less if the solicitation requires the Contractor to be registered in the System for Award Management (SAM) database.) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" or "DUNS+4" followed by the DUNS or DUNS+4 number that identifies the offeror's name and address. The DUNS+4 is the DUNS number plus a 4-character suffix that may be assigned at the discretion of the offeror to establish additional SAM records for identifying alternative Electronic Funds Transfer (EFT) accounts (see FAR Subpart 32.11) for the same concern. If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one. An offeror within the United States may contact Dun and Bradstreet by calling 1-866-705-5711 or via the internet at http://fedgov.dnb.com/webform. An offeror located outside the United States must contact the local Dun and Bradstreet office for a DUNS number. The offeror should indicate that it is an offeror for a Government contract when contacting the local Dun and Bradstreet office.

(k) *System for Award Management.* Unless exempted by an addendum to this solicitation, by submission of an offer, the offeror acknowledges the requirement that a prospective awardee shall be registered in the SAM database prior to award, during performance and through final payment of any contract resulting from this solicitation. If the Offeror does not become registered in the SAM database in the time prescribed by the Contracting Officer, the Contracting Officer will proceed to award to the next otherwise successful registered Offeror. Offerors may obtain information on registration and annual confirmation requirements via the SAM database accessed through https://www.acquisition.gov.

(l) *Debriefing.* If a post-award debriefing is given to requesting offerors, the Government shall disclose the following information, if applicable:

(1) The agency's evaluation of the significant weak or deficient factors in the debriefed offeror's offer.

(2) The overall evaluated cost or price and technical rating of the successful and the debriefed offeror and past performance information on the debriefed offeror.

(3) The overall ranking of all offerors, when any ranking was developed by the agency during source selection.

(4) A summary of the rationale for award;

(5) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror.

(6) Reasonable responses to relevant questions posed by the debriefed offeror as to whether source-selection procedures set forth in the solicitation, applicable regulations, and other applicable authorities were followed by the agency.

(End of provision)

CLAUSES FOR PURCHASE ORDERS AND BLANKET PURCHASE AGREEMENTS AWARDED BY OVERSEAS CONTRACTING ACTIVITIES
(Current thru FAC 2005-55)

COMMERCIAL ITEMS

FAR 52.252-2 Clauses Incorporated By Reference (FEB 1998)

This purchase order or BPA incorporates the following clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this address: https://www.acquisition.gov/far

DOSAR clauses may be accessed at: http://www.statebuy.state.gov/dosar/dosartoc.htm

FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1) CLAUSES

NUMBER	TITLE	DATE
52.204-9	Personal Identity Verification of Contractor Personnel (if contractor requires physical access to a federally-controlled facility or access to a Federal information system)	JAN 2011
52.212-4	Contract Terms and Conditions – Commercial Items (Alternate I (OCT 2008) of 52.212-4 applies if the order is time-and-materials or labor-hour)	Feb 2012
52.225-19	Contractor Personnel in a Diplomatic or Consular Mission Outside the United States (applies to services at danger pay posts only)	MAR 2008
52.225-25	Prohibition on Contracting with Entities Engaging in Sanctioned Activities Relating to Iran – Representation and Certification (applies to acquisitions above the micropurchase threshold)	NOV 2011
52.227-19	Commercial Computer Software License (if order is for software)	DEC 2007
52.228-3	Workers' Compensation Insurance (Defense Base Act) (if order is for services and contractor employees are covered by Defense Base Act insurance)	APR 1984
52.228-4	Workers' Compensation and War-Hazard Insurance (if order is for services and contractor employees are not covered by Defense Base Act insurance)	APR 1984

The following clause is provided in full text:

52.212-5 Contract Terms and Conditions Required to Implement Statutes or Executive Orders -- Commercial Items (MAY 2012)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

(1) 52.222-50, Combating Trafficking in Persons (FEB 2009) (22 U.S.C. 7104(g)). (applies for all orders)

____ Alternate I (AUG 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(2) 52.233-3, Protest After Award (AUG 1996) (31 U.S.C. 3553).

(3) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004) (Pub. L. 108-77, 108-78).

(Alternate I (AUG 2007) *[if the contracting officer has been notified of specific U.S. directives or notices regarding combating trafficking in persons that apply to contractor employees])*

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

[Contracting Officer check as appropriate]

	Clause Number and Title
	(1) 52.203-6, Restrictions on Subcontractor Sales to the Government (SEP 2006), with Alternate I (Oct 1995) (41 U.S.C. 253g and 10 U.S.C. 2402). *[Check if order exceeds $150,000]*
	(2) 52.203-13, Contractor Code of Business Ethics and Conduct (APR 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note). *[Check if order exceeds the simplified acquisition threshold]*
	(3) [Reserved].
	(4) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (FEB 2012) (Pub. L. 109-282) (31 U.S.C. 6101 note). (in all solicitations and contracts of $25,000 or more)
	(5) [Reserved].
	(6) 52.209-6, Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (DEC 2010) (31 U.S.C. 6101 note). (if contract value exceeds $30,000)
	(7) 52.209-9, Updates of Publicly Available Information Regarding Responsibility Matters (FEB 2012) (41 U.S.C. 2313). (contract value exceed $500,000 and offeror's total federal contracts value are over $10,000,000)
	(8) – (26) [Reserved].
	(27) 52.222-19, Child Labor – Cooperation with Authorities and Remedies (MAR

	2012) (E.O. 13126). [Check if order is for supplies and exceeds the micro-purchase threshold]
	(28) 52.222-21, Prohibition of Segregated Facilities (FEB 1999). [Check if the following apply: for supplies, the order exceeds $10,000 and is awarded to a U.S. firm. For services, the order exceeds $10,000 and is awarded to a U.S. firm whose employees who will be performing the work were recruited within the U.S.]
	(29) 52.222-26, Equal Opportunity (MAR 2007) (E.O. 11246). *[Check if the following apply: for supplies, the order exceeds $10,000 and is awarded to a U.S. firm. For services, the order exceeds $10,000 and is awarded to a U.S. firm whose employees who will be performing the work were recruited within the U.S.]*
	(30) 52.222-35, Equal Opportunity for Veterans (SEP 2010) (38 U.S.C. 4212). *[Check if the following apply: for supplies, the order exceeds $150,000 and is awarded to a U.S. firm. For services, the order exceeds $150,000 and is awarded to a U.S. firm whose employees who will be performing the work were recruited within the U.S.]*
	(31) 52.222-36, Affirmative Action for Workers with Disabilities (OCT 2010) (29 U.S.C. 793). *[Check if the following apply: for supplies, the order exceeds $10,000 and is awarded to a U.S. firm. For services, the order exceeds $10,000 and is awarded to a U.S. firm whose employees who will be performing the work were recruited within the U.S.]*
	(32) 52.222-37, Employment Reports Veterans (SEP 2010) (38 U.S.C. 4212). *[Check if you have included the clause 52.222-35]*
	(33) – (37) [Reserved].
√	(38) 52.223-18, Encouraging Contractor Policies to Ban Text Messaging while Driving (AUG 2011) (E.O. 13513). *[Check for all orders]*
	(39) – (40) [Reserved].
	(41) 52.225-5, Trade Agreements (MAY 2012) (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note). *[Check if the order is for supplies or services that involve the acquisition of supplies and the amount exceeds $202,000]*
	(42) 52.225-13, Restrictions on Certain Foreign Purchases (JUN 2008) (E.O.s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury). *[Check if the order is for either supplies or services and the amount exceeds the micro-purchase threshold, unless authorized by OFAC]*
	(43) – (46) [Reserved].
	(47) 52.232-33, Payment by Electronic Funds Transfer – Central Contractor Registration (OCT 2003) (31 U.S.C. 3332). *[Check if payment will be made by EFT and the contractor has registered in the CCR]*
	(48) 52.232-34, Payment by Electronic Funds Transfer – Other than Central Contractor Registration (MAY 1999) (31 U.S.C. 3332). *[Check if payment will be made by either EFT or other means, e.g., check, and the contractor has not registered in the CCR]*
	(49) 52.232-36, Payment by Third Party (FEB 2010) (31 U.S.C. 3332). *[Check if payment will be made by a third party, e.g., purchase card]*

	(50) 52.239-1, Privacy or Security Safeguards (AUG 1996) (5 U.S.C. 552a). *[Check if the order is for information technology which requires security of information technology, and/or is for the design, development, or operation of a system of records using commercial information technology services or support services]*
	(51)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). *[Check if the order is for supplies that may involve ocean transportation: at least 50% of the gross tonnage must be transported on privately owned U.S.-flag commercial vessels to the extent that such vessels are available at rates that are fair and reasonable for U.S.-flag commercial vessels]*
	(ii) Alternate I (APR 2003) of 52.247-64. *[Check if 100% of the supplies will be transported on privately owned U.S.-flag commercial vessels]*

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial items, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial Items:

[Contracting officer check as appropriate.]

	Clause Number and Title
	(1) – (6) [Reserved].
	(7) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (MAR 2009) (Public Law 110-247).
	(8) 52.237-11, Accepting and Dispensing of $1 Coin (SEP 2008) (31 U.S.C. 5112(p)(1)). *[Check if order is for services that involve business operations conducted in U.S. coin and currency, including vending machines]*

(d) *Comptroller General Examination of Record.* The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records -- Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the

Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e)(1) *[This paragraph applies only if award is made to a U.S. firm, <u>except</u> for item (vii) which applies to all orders.]* Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down
shall be as required by the clause—

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (APR 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

(ii) 52.219-8, Utilization of Small Business Concerns (JAN 2011) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds $650,000 ($1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(iii) [Reserved]

(iv) 52.222-26, Equal Opportunity (MAR 2007) (E.O. 11246).

(v) 52.222-35, Equal Opportunity for Veterans (SEP 2010) (38 U.S.C. 4212).

(vi) 52.222-36, Affirmative Action for Workers with Disabilities (OCT 2010) (29 U.S.C. 793).

(vii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(viii) [Reserved].

(ix) 52.222-50, Combating Trafficking in Persons (FEB 2009) (22 U.S.C. 7104(g)).
___Alternate I (AUG 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(x) – (xii) [Reserved].

(xiii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (MAR 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xiv) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (FEB 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(End of clause)

DEPARTMENT OF STATE ACQUISITION REGULATION (48 CFR Chapter 6) CLAUSES

NUMBER	TITLE	DATE
652.225-71	Section 8(a) of the Export Administration Act of 1979, As Amended (if order exceeds simplified acquisition threshold)	AUG 1999
652.228-71	Workers Compensation Insurance (Defense Base Act) – Services (for services to be performed overseas when the contract includes covered contractor employees as defined in paragraph (a) of the clause) Fill-in for paragraph (c): "(c) The current rate under the Department of State contract is *[contracting officer insert rate]* of compensation for services."	JUN 2006
652.229-70	Excise Tax Exemption Statement for Contractors Within the United States (for supplies to be delivered to an overseas post)	JUL 1988
652.229-71	Personal Property Disposition at Posts Abroad	AUG 1999
652.237-72	Observance of Legal Holidays and Administrative Leave (for services where performance will be on-site in a Department of State facility)	APR 2004
652.239-71	Security Requirements for Unclassified Information Technology Resources (for orders that include information technology resources or services in which the contractor will have physical or electronic access to Department information that directly supports the mission of the Department)	SEP 2007
652.242-70	Contracting Officer's Representative (if a COR will be named for the order) Fill-in for paragraph b: "The COR is _____ "	AUG 1999
652.242-71	Notice of Shipments (for overseas shipment of supplies)	JUL 1988
652.242-73	Authorization and Performance	AUG 1999
652.243-70	Notices	AUG 1999

The following clause is provided in full text, and is applicable for orders for services that will require contractor employees to perform on-site at a DOS location and/or that require contractor employees to have access to DOS information systems:

652.204-70 Department of State Personal Identification Card Issuance Procedures (MAY 2011)

(a) The Contractor shall comply with the Department of State (DOS) Personal Identification Card Issuance Procedures for all employees performing under this contract who require frequent and continuing access to DOS facilities, or information systems. The Contractor shall insert this

clause in all subcontracts when the subcontractor's employees will require frequent and continuing access to DOS facilities, or information systems.

(b) The DOS Personal Identification Card Issuance Procedures may be accessed at http://www.state.gov/m/ds/rls/rpt/c21664.htm .

(End of clause)

STATEMENT OF WORK

FINANCIAL AUDIT OF CEPTIS' FUND ACCOUNTABILITY STATEMENTS

I. GENERAL DESCRIPTION

The International Narcotics and Law Enforcement Section (INL) of the US Embassy in Lima-Peru has a requirement for a contractor (Auditor) to perform a **"Financial Audit of CEPITS"(*Centro de Estudios de Prevención, Tratamiento, Invesrtigación y de Salud*).** The NGO CEPTIS was legally established in 2000 and is the recipient of a grant aimed at developing and implementing the INL Pre-Police Academies Program, which was launched in 2007. The current Cooperative Agreement with CEPTIS was signed in April 2012 for a one-year grant amount of $485,740. In April 2013 the project was extended for an additional year, which is due by April 15, 2014. Funds were increased by $633,857 for the grant's second year. Grant total amounts $1,119,597.

INL sponsors since 2007 the Pre-Police Academies, which is a program to prepare local youth to enter the INL sponsored Peruvian National Police (PNP) Academies (*Escuelas Técnicas Superiores ETS-PNP DIRANDRO*). The pre-academy program is administered by NGO CEPTIS to recruit young people living in villages nearby coca and drug producing areas and cities who are interested in pursuing careers as police officers with assignments east of the Andes. Four Pre-Police Academies are administered by the NGO CEPTIS since 2007 in Tingo María, Santa Lucia, Mazamari and Ayacucho. Under the project grant extension a fifth pre-academy was established in Huanuco and launched in 2013. The program provides training and education to help the students pass the annual police entrance examination and gain entrance into the INL-sponsored Police Academies. Approximately 600 selected young students are trained in regular academic annual cycles.

II. SCOPE OF WORK AND CONTRACT OBJECTIVE

The objective of this engagement is that the contractor will conduct a Financial Audit as follows:

1. **Audit of the Fund Accountability Statements,** which presents the recipient's revenues, costs incurred and cash balance of funds provided under the INL-CEPTIS Cooperative Agreement.

2. **Study and Evaluation of Internal Control**: The contractor will carry out a Study and Evaluation of the Internal Control following the general accepted audit principles, in order to obtain sufficient understanding of CEPTIS activities and controls, then, outline the audit procedures and determine the nature, extension and opportunity of these procedures.

The contractor will not be required to analyze or express an opinion on whether CEPTIS objectives, goals and projections have been accomplished or not. The contractor will not be required to perform an audit of the "Results" of the Project, which is CEPTIS Executive Staff and INL's responsibility.

III. METHODOLOGY AND SPECIFIC OBJECTIVES

1. Audit of CEPTIS General Purpose Financial Statements.

An audit of the Fund Accountability Statements shall be performed in accordance with Generally Accepted Auditing Standards in Peru. The objective of the audit is to express an opinion on whether the Fund Accountability Statement presents fairly, in all material respects, revenues received, costs incurred and the closing balance, according to cash basis principle, as well as the terms and conditions of the INL-CEPTIS ongoing Cooperative Agreement.

At a minimum, the auditor should:

b.1 Examine the Fund Accountability Statements, including the budgeted amounts by category and accounts, the revenues received for the period covered by the audit, as well as the costs reported by CEPTIS as incurred during that period. The revenues received, less the costs incurred, after considering any reconciling items, should reconcile with the balance of cash-on-hand and in bank accounts.

b.2 Identify and quantify any questionable cost.

Questionable costs are referred to:

(a) *Ineligible costs* which are explicitly questionable because they are unreasonable, or prohibited by the agreements or applicable laws and regulations, or not related with terms and conditions of the Cooperative Agreement.

(b) *Unsupported costs* that are not supported with adequate documentation or did not have required prior approvals or authorizations.

All questionable costs resulting from instances of noncompliance with terms and conditions of the Cooperative Agreement, as well as with applicable laws and regulations should be reported.

2. Study and Evaluation of CEPTIS Internal Control.

The contractor work will be conducted according with the general accepted audit principles, in order to obtain sufficient understanding of CEPTIS activities and controls, then, outline

the audit procedures to be applied and determine the nature, extension and opportunity of these procedures.

The study and evaluation of CEPTIS Internal Control must include, but not be limited to:

2.1 Accounting System

2.1.a Evaluate the control environment, the adequacy of the accounting systems, and control procedures. Emphasis should be placed on the policies and procedures that pertain to CEPTIS ability to record, process, summarize, and report financial data consistent with the assertions included in the Financial Statements.

2.1.b In a selective way, review costs incurred by CEPTIS, ensuring that these charges are properly supported and documented.

2.1.c Review commission service charges (transportation and per diem) to determine whether they are adequately supported and approved. Commission service charges that are not supported with adequate documentation and are not in accordance with the policies established by the project must be quantified and reported.

2.1.d Determine how systematic the accounting records are and if they were adequately implemented and structured. Evaluate the accounting informatics systems and their back up mechanisms.

Treasury

2.1.e Evaluate the procedures applied to process payments for suppliers.

2.1.f Determine whether transfer of funds were justified with appropriate documentation. The auditor should ensure that all project funding received by CEPTIS was appropriately recorded in the recipient's accounting records.

2.1.g Management of cash on hand (cash balance scrutiny) and in bank accounts. Review the procedures used to control the funds, including their channeling to financial institutions. Review bank accounts and the controls on those bank accounts. Consider positive confirmation of balances.

2.1.h Perform sudden cash scrutinizes of the cash accounts maintained by CEPTIS.

2.1.j Determine whether incomes generated by additional financing exist other than the one provided by INL and if records established to control those funds are appropriate.

2.2 Logistics System

2.2.a Evaluate the procedures applied for the acquisition of goods and services.

2.2.b Evaluate procurement procedures to determine that sound commercial practices were used including competition, reasonable prices; and that adequate controls exist over the qualities and quantities received.

2.3 Patrimony Control System

2.3.a Examine the management and disposition of commodities (such as vehicles, equipment, tools, supplies, etc.) purchased either by CEPTIS or directly by INL. Determine whether control procedures exist and have been applied in order to adequately safeguard commodities. The auditor will determine whether the commodities have been accounted for in proper recipient's records.

2.4 Personnel System

2.4.a Since personnel charges constitute the main expenditure category and their calculations are significantly dependent upon computerized software, the auditor shall emphasize the review of this component and provide recommendations for control improvement.

2.4.b Test salary charges to determine whether salary rates are congruent with those estimated on Annual Budgets and supported with appropriate payroll records.

2.4.c Determine whether calculations of employee's deductions, employer's contributions and severance benefits are in accordance with Peruvian applicable laws and regulations.

Functions

2.4.d Determine whether personnel functions such as time keeping or social benefit activities are applied appropriately.

2.4.e Determine whether procedures established to announce, select and hire personnel are appropriate and if they are applied properly.

2.4.f Determine whether procedures established for the evaluation of labor performance are appropriate and if they are properly applied at all hierarchical levels.

IV. AUDIT REPORTS

For each report listed below, the auditor should submit to INL three (3) copies in Spanish and three (03) copies in English, plus an electronic copy of each on Pdf format.

1. **The Fund Accountability Statements** and the auditor's opinion on whether the Fund Accountability Statements presents fairly, in all material respects, revenues received,

costs incurred and the closing balance, according to cash basis principle, as well as the terms and conditions of the Cooperative Agreement.

2. **Internal Control Reports**: These reports are issued as a result of the financial audit. The auditor's report should include, at a minimum:

   a. The scope of the auditor's work that led to an understanding of the internal control structure and assessment of the control risks.
   b. The reportable conditions, including the identification of material weaknesses and findings that are established in the reportable conditions, as well as material weaknesses in the internal control structure.

   The findings contained in the report on the internal control structure should include a description of the condition (what is) and criteria (what should be). Also, the cause (why it happened) and effect (what loss was caused by not complying with the criteria), should be included in the conclusions if they can be easily determined. In addition, and if applicable, the conclusions should contain recommendations on how to correct the causes and conditions. If there are no internal controls established by CEPTIS for any one of the objectives, the auditor will provide recommendations for its implementation.

   Given the scope and specific objective of the audit, it is recognized that material internal control weaknesses and noncompliance found by the auditors might not always have all of these elements clearly established. However, the auditors should at least identify the condition, criteria and possible effect, providing INL with sufficient information that will allow the identification of the effect and cause in order to take timely and proper corrective actions.

   The report should also contain, after each recommendation, pertinent views of responsible officials related with the auditor's findings, as well as actions taken by the administration to implement the recommendations. If possible, the recipient's views should be obtained in writing. When the comments of the recipient contradict the findings, conclusions, or recommendations, and are not in the auditor's opinion valid, the auditors should state, following the recipient's comments, their reasons for rejecting them. Conversely, the auditors should modify their report if they find the comments valid.

   The auditor's report should include all findings, based on evidence obtained, that a fraud or illegal act either has occurred or is likely to occur, and should quantify its monetary effect. This report will include the identification of all questionable costs, if any, as a result of fraud or illegal acts, regardless of whether the conditions giving rise to the questionable costs have been corrected or whether the recipient agrees or not with them.

   In reporting material fraud, illegal acts, or other noncompliance, the auditors should place their findings in proper perspective, in order to give the reader a basis for judging the impact and consequences of these conditions.

If the auditor concludes that sufficient evidence of fraud or illegal acts exist, they should contact the INL Officers and exercise due professional care in following up on the indicators of possible fraud or illegal acts so as not to interfere with potential future investigations, legal proceedings, or both.

V. TEAM WORK

The auditing company shall assign a partner in the firm as responsible for directing and supervising the work, while a different partner will act as consulting partner also in charge of the quality control of the work performed.

The work team that will perform the examination should include an audit supervisor, who will administer the field tasks. Due to unforeseen circumstances, if it were necessary to replace any member of the work team, the substitute will have the same category and experience.

VI. TERMS OF PERFORMANCE

The auditing company will establish its professional fees in accordance with the work extent described in the scope of work and contract objective. For this purpose, the auditing company will meet with INL in order to have a general idea concerning the work to be performed.

The effective date of this contract and statement of work will be the date the United States Embassy Contracting Officer's signs it.

It is the responsibility of CEPTIS to ensure that all records are available, all accounting entries and adjustments are made, and all other necessary steps are taken in order to make it possible for the audit firm to perform this work.

The audit should begin as soon as possible after the signing of the audit contract.

Progress payment will be as follows:

30% payment upon submission of first audit report statement and invoice as described in section IV.

70% Final payment upon submission of final audit report and invoice as described in section IV.