



REQUEST FOR PROPOSAL

Project Name

Engagement of Audit services

RFP.FIN.2022.0023

The Institute of Banking & Finance
(Reg No: 197402045E)
10 Shenton Way
#13-07/08, MAS Building

1. INTRODUCTION

1.1. The Institute of Banking and Finance (“IBF”) is issuing this Request for Proposal (“RFP”) to invite public accounting corporations (hereinafter referred to as “Auditor”) to submit quotation for the offering of a series of audit services to IBF for financial year 2022 to 2024 with option to renew to 2026.

2. OBJECTIVE

2.1. This RFP aims to engage an audit firm to be appointed as auditor of IBF for the financial year 2022 to 2024 with option to renew to 2026. IBF’s financial year period is from 1 January to 31 December.

3. ABOUT IBF

3.1. The Institute of Banking and Finance Singapore (“IBF”) was established in 1974 as a not-for-profit industry association to foster and develop the professional competencies of the financial industry. The principal activities of IBF are:

- a) to administer licensing examinations on behalf of the Monetary Authority of Singapore (“MAS”) and industry examinations on behalf of industry bodies;
- b) to develop industry standards, competency roadmaps and professional development pathways for financial sector practitioners;
- c) to act as the national accreditation and certification agency for financial industry competency in Singapore;
- d) to promote and conduct events, conferences and workshops relating to financial sector;
- e) to administer training grant schemes offered under the Financial Sector Development Fund (“FSDF”) on behalf of the MAS;
- f) to administer and support professional conversion programmes provided under Workforce Singapore’s (“WSG”) Adapt and Growth initiative; and
- g) to provide personalised career advisory services to individuals.

3.2. IBF currently operates several applications and databases (collectively and hereinafter referred to ‘IBF systems’) that support various services offered by IBF. These systems include:

a) IBF Portal which is a consolidated platform of various modules, as below:

- Exam registration
- Programme accreditation/ recognition
- Funding application and disbursement
- Certification application
- Corporate account creation
- Invoicing

The application is currently hosted in dedicated servers in a data centre managed by an external vendor.

b) The servers for emails and internal working file storage are hosted in IBF’s premises and managed by a team of full-time IT staff who oversee the IT infrastructure planning, set up and ongoing maintenance to ensure high availability of the system and data security. The salient tasks include:

- Hosting and administering servers for emails and company’s confidential data
- Preventive maintenance and liaison with vendor on onsite and tech support
- Network and servers support and management
- Hardware and software setup and configurations
- Technology procurement and IT Asset management
- Data backup and recovery and Business Continuity Planning

- c) IBF also engaged Software-as-a-Service provider 'SaaS' and DR-as-a- Service Provider ('DRaaS') for the activities below:
- Procurement
 - Accounting
 - Leave Application and Payroll
 - IBF Events registration
 - Back-up of IT systems

3.3. IBF financial data is provided in **Annex C** for assessment of the transactions and its volume.

4. SCOPE OF WORK

4.1 IBF receives funding grant support from Grant Authority and as part of the grant support offered, IBF is required to ensure that its income and expenses reported are true and accurate and that adequate controls are in place for IBF's business processes that have financial implications.

4.2 The Auditor must be able to perform the procedures in accordance with the 'Terms of Reference' as set out by the Grant Authority in **Annex A**.

4.3 The specific scope of work to be delivered under this appointment is as follows:

Item	Scope of audit
A	<p>1. Financial Year End Statutory Audit</p> <p>To review the annual financial statements for the purpose of IBF's annual reporting in accordance with the Singapore Companies Act, the Singapore Charities Act, Singapore Financial Reporting Standards and the Singapore Standards on Auditing.</p>
	<p>2. Long Form Audit</p> <p>(i) <u>Revenue and Expense</u></p> <ul style="list-style-type: none"> • Procurement processes are implemented in accordance to internal policies • All other revenue and expenses made to/from IBF are recognized in accordance to internal policies and other terms and conditions as agreed with the grant authority • Administration of training grants/ schemes from the process of approving the programmes up to funding disbursement made to eligible applicants/ claimants and in accordance with policies and guidelines agreed with the grant authorities <p>(ii) <u>System Administration & Controls</u></p> <ul style="list-style-type: none"> • Security risks and threats around IBF systems have been properly assessed and documented • User access to IBF systems and applications (logical and physical access) • Changes to any IT systems are properly tested and approved before being migrated into production. • Policies and procedures for the back-up and destruction of data and review of audit logs are in place and complied with. • Review of the IT SOPs Management shall assess and determine the systems and IT controls to be reviewed on a yearly basis.

B	<p>c) External Audit (EA) Certification</p> <p>To certify that revenue and expenses recorded and reported by IBF to the grant authority for the purpose of grant claim (expenses less income) are accurate and in accordance to the terms and conditions of the offer letter.</p> <p>The Auditor will provide certification of IBF’s revenue and expenses in a prescribed format and in accordance with the terms of reference set out in Annex A.</p>
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4.4 For **Item B**, the Auditor should conducting 100% checks on all revenue and expenses recorded and reported by IBF for the claim period;

5. DELIVERABLES AND SCHEDULES

5.1 The audit period and the timeline of the audit reports are outlined in **Annex B**.

5.2 For Item A, the Auditor will be called upon to present its audit findings to the IBF Audit Committee.

6. APPOINTMENT/ REAPPOINTMENT

6.1 The engagement of services will be for three (3) year period with option to renew for another two (2) years subject to annual review and recommendation for appointment and reappointment. In the event the annual review does not result in the reappointment of the Auditor, IBF reserves the right to give one-month’s written notice to the Auditor to terminate the services.

6.2 The option to renew shall remain valid and exercisable until two (2) months from the end of the initial three (3) year period. IBF may exercise the option during the validity period by raising a purchase order with the Auditor. The fees for the option shall remain as indicated in the quotation, and all other terms and conditions for the option shall remain the same as the initial three (3) year period.

7. EVALUATION CRITERIA

7.1 The evaluation criteria for this engagement of services will be based on the following:

- a) Experience/ track record in providing services to statutory boards, non-profit organisations or publicly funded institutions
- b) Experience/ track record in conducting similar audit scopes:
 - Certify claim amount for grant application
 - Conduct long-form audits which check on financial and operational processes and controls
- c) Experience and qualification of team to be assigned to the project
- d) Competitive fee structure
- e) Ability to provide a practical and efficient risk-based audit approach to achieve IBF’s audit objectives
- f) Ability to meet IBF’s reporting needs
- g) Possible conflict of interest with other assignment(s) undertaken by the audit firm

7.2 IBF may evaluate based on the quotation submitted by the Auditor and also any other information provided by the Auditor at meeting(s) that IBF may request pursuant to the submission of the quotation.

7.3 In the event that IBF seeks clarification upon any aspect of the quotation, the Auditor shall provide full and comprehensive responses within one (1) day of notification.

7.4 As part of the evaluation process, shortlisted Auditors may be required to present their credentials and proposals to IBF management.

8. SUBMISSION DETAILS

8.1 The proposal should comprise:

- a) Executive Summary of the company's understanding of IBF's project objectives and scope of services
- b) Qualification and Experience:
 - Provide a brief on the company's experience and track record in conducting similar scope of work and the experience and qualifications of the team to be assigned to IBF's project.
- c) Timeline and deliverables
- d) Proposed fees:
 - Fees quoted shall be in Singapore Dollars only and exclude GST. All fees quoted shall be final.
- e) Signed 'Non-Disclosure and Security Awareness Undertaking' under Annex A Part V as confidential information may be provided by IBF during the RFP process.

8.2 All quotations shall consist of a breakdown of the fees for the different scope of work and the proposal explaining the audit approach methodology including details of audit planning, execution and reporting process.

Please refer to the fee quotation template in **Annex D**.

8.3 All quotations must reach IBF no later than 20 April 2022 at 5pm. All quotations must be clearly marked as "RFP – Engagement of Audit Services", and email to procurement@ibf.org.sg.

8.4 The IBF reserves the right not to accept late submissions.

8.5 The IBF reserves the right to cancel, or modify in any form, this RFP for any reason, without any liability to IBF.

8.6 All quotations submitted will remain confidential.

8.7 Any clarifications/ queries about the RFP may be addressed to:
Sharon Lim, Senior Manager, Finance and Funding Programme
Email: sharon@ibf.org.sg

9. CONFIDENTIALITY

9.1 The bidder shall ensure the absolute confidentiality of the data and information provided by IBF (or any other organization identified by IBF) for this project and shall not, under any circumstances, release or communicate through any means, in whole or in part, any information to any third parties. All correspondence and communication with all external parties, pertaining to matters relating to this project, shall be made only through IBF. The bidder will be required to sign a 'Non-Disclosure and Security Awareness Undertaking' under **Annex 2**.

9.2 IBF may require an unsuccessful bidder to return all materials that IBF provided during the period from the issue of this RFP to the acceptance of the successful proposal.

10. SECURITY CLEARANCE

10.1 The Auditor shall subject all their personnel who will be involved in the performance of the Services to security clearance by IBF before commencing their work. IBF reserves the right to reject any of the Auditor's personnel and the Auditor is responsible for finding replacements immediately and at the Auditor's own expense.

10.2 The Auditor shall observe the secure usage and handling of all IBF's information. All the Auditor's personnel shall sign an Undertaking to Safeguard Official Information to protect IBF's information against unauthorised disclosures by the Auditor's personnel during the course of their work. The Auditor shall ensure that all its personnel and subcontractors are informed that failure to comply with the undertaking would be a criminal offence.

10.3 All the Auditor's personnel shall fully comply with any written instructions from IBF regarding security matters.

11. INDEMNITY AGAINST A THIRD PARTY

11.1 The Auditor shall indemnify and hold harmless IBF and its partners and employees from and against any foreseeable loss, expense, damage or liabilities (or actions that may be asserted by any third party) that may result from any third party, claims arising out of or in connection with the project or any use by the Auditor of any deliverable item under this project and will reimburse IBF for all costs and expenses (including legal fees) reasonably incurred by IBF in connection with any such action or claim.

12. ACCEPTANCE OR NON-ACCEPTANCE OF PROPOSAL

12.1 IBF shall be under no obligation to accept the lowest or any proposal received. It generally does not correspond with any bidder regarding the reasons for non-acceptance of a proposal.

12.2 IBF reserves the right to award the contract in parts or in full.

12.3 The issue of a Letter of Acceptance by IBF accepting the proposal or part of the proposal submitted by a Auditor shall create a binding contract on the part of the Auditor to supply the specified deliverables in the proposal to IBF.

13. NOTIFICATION OF UNSUCCESSFUL BID

13.1 Notification will not be sent to unsuccessful bidders.

ANNEX A: Terms of Reference for the External Audit (EA) Certification Auditor

1. Exceptions should be highlighted if items included in the claims are not in accordance with the following points:

- a. Items and amounts claimed by the grant beneficiary are in accordance with details of qualifying costs and the other terms and conditions of the Letter of Offer (as well as supplemental Letters of Offer, if any);
- b. Items claimed are used for the project as stated in the Letter of Offer (as well as supplemental Letters of Offer, if any), unless otherwise stated;
- c. Items claimed are in line with the section titled "Description of qualifying categories and items" in Appendix A (Items that Qualify for Funding and Level of Funding) of the Letter of Offer (as well as supplemental Letters of Offer, if any);
- d. Items claimed by the grant beneficiary are accurately recorded in all the claim forms and schedules, and in accordance with the books and records maintained by the grant beneficiary;
- e. Description and authenticity of items claimed are valid by referring to and crosschecking against appropriate supporting documents and other records;
- f. Claims correspond to the appropriate supporting documents, e.g. incoming/outgoing invoices, personnel and payroll records, etc;
- g. Claims are made only upon disbursement of cash by the grant beneficiary at the point of audit of the claims, unless allowed for in the Letter of Offer (and supplement Letters of Offer, if any), and do not include those that are purely accounting entries without cash outlays (e.g. depreciation); and
- h. All items claimed are incurred within the funding period as per the terms and conditions of the Letter of Offer (and supplement Letters of Offer, if any); and
- i. Items claimed in the current funding period had not been claimed in previous funding periods;
- j. The claim amounts (after taking into account the level of funding) do not exceed the grant amount for the qualifying category; and
- k. Equipment claimed (if any) exists through physical sighting at the date of visit and are installed/operating as stipulated in the grant.

The procedures as listed above from (a) to (k) should cover 100% of the qualifying revenue and expenses. The auditor shall stamp the relevant documents submitted in support of the auditor's statement.

2. The auditors shall highlight any going concern issues raised in the latest audit report of the grant beneficiary or at such earlier time that the auditors either become aware or have reasonable suspicion of such going concern issues with the grant beneficiary.
 3. In the event that there are errors and deviations found, the auditors shall report these in the statement accordingly and provide details.
 4. The auditors shall certify and forward a copy of the cumulative operating expenditures and income for the past year(s). The auditors shall raise any exceptions if the cumulative operating expenditures and income do not agree with the records maintained by the grant beneficiary.
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Annex B

Audit	Recipients of the Audit report	Timeline	
		Deliverables	Submission deadline
Financial Year End Statutory Audit	<ul style="list-style-type: none"> Accounting and Corporate Regulatory Authority Singapore (ACRA), Commissioner of Charities (COC), Grant Authority, IBF Audit Committee, IBF Council and IBF Members 	<ul style="list-style-type: none"> Planning meeting with IBF management Perform walkthrough on key processes, including revenue and procurement and IT cycle. Identification of risk of material misstatement and material account balances Presentation of audit planning report to audit committee 	Nov
		<ul style="list-style-type: none"> Perform analytical review of procedures and substantive testing on account balances and transactions 	Feb-Mar (following year)
		<ul style="list-style-type: none"> Draft Financial Statements 	Mar-Apr (following year)
		<ul style="list-style-type: none"> Presentation of statutory audit results to the Audit Committee Finalisation of audit report on the financial statements by Audit Committee 	May (following year)
Long Form Audit	Grant Authority, IBF Audit Committee and IBF Council	<ul style="list-style-type: none"> Planning meeting with IBF management Perform walkthrough on key processes, including revenue and procurement and IT cycle. Identification of risk of material misstatement and 	Nov

		<ul style="list-style-type: none"> material account balances • Presentation of audit planning report to audit committee 	
		<ul style="list-style-type: none"> • Presentation of long form audit report findings to IBF management • Finalisation of long form audit report 	Feb (following year)
		<ul style="list-style-type: none"> • Presentation of long form audit results to the Audit Committee 	May (following year)
External Audit (EA) Certification	<ul style="list-style-type: none"> • Grant Authority, IBF Audit Committee 	<ul style="list-style-type: none"> • Planning meeting with IBF management • Perform walkthrough on key processes, including revenue and procurement and IT cycle. • Identification of risk of material misstatement and material account balances • Presentation of audit planning report to audit committee 	Nov
		<ul style="list-style-type: none"> • Sharing of draft operative grant audit certification with IBF • Finalisation of operative grant audit certification 	Feb-Mar (following year)
		<ul style="list-style-type: none"> • Presentation of operative grant audit results to the Audit Committee 	May (following year)

Annex C

Additional Information

(I) IBF projected revenue and expenses for 2022:

	Projected (\$'000)	Volume
Revenue	\$3,763	8,500
Manpower cost	\$11,413	73 staff
Operating & Capital expenses	\$8,673	refer to (II) for indicative

(II) IBF procurement history and data for the recent 12-month period:

Procurement Value	No. of transactions	Value (\$'000)	Billed (\$'000)
\$6K and below	748	358	580
Above \$6K - \$70K	63	1,317	1,079
Above \$70K - \$1M	19	865	2,761
Above \$1M	-	-	-
Total	830	2,540	4,420

Annex D

Auditor should quote the fee in the template below:

Fee per annum for Financial Year 2022 to 2024:

Item	Scope of audit	Fee quote in S\$ (per annum)
A	1. Financial Statements Audit	
	2. Long Form Audit	
B	3. Certification Audit (100% checks)	

(Option to renew) Fee per annum for Financial Year 2025 to 2026:

Item	Scope of audit	Fee quote in S\$ (per annum)
A	1. Financial Statements Audit	
	2. Long Form Audit	
B	3. Certification Audit (100% checks)	

ANNEX 2: Non-Disclosure and Security Awareness Undertaking (Third Parties)

IMPORTANT NOTES

1. The Institute of Banking and Finance (“the **Organisation**”) is legally required to comply with the provisions of the *Personal Data Protection Act* (No. 26 of 2012) (“the **Act**”). Failure to comply with the Act may result in penalties being issued against the Organisation.
2. To ensure compliance with the Organisation’s internal policies in relation to the Act, all third party contractors and/or service providers are required to sign this Undertaking.
3. This Undertaking shall be signed before the commencement of work and/or services for the Organisation.

A. CONTRACTOR / SERVICE PROVIDER’S DETAILS

1.	Name of Contractor / Service Provider’s Company (“Service Provider”):	
2.	Company UEN No:	
3.	Contact Number:	
4.	Address:	
5.	Email Address:	
6.	Nature of Work / Service provided to Organisation (“Purpose”):	

B. UNDERTAKING

1. Access to Personal Data, non-public and sensitive information (“**Confidential Information**”) may be required in the performance of the Service Provider’s Purpose. “**Personal Data**” shall have the meaning given to it in the Act, and refers to information about an identified or identifiable individual, where the individual refers to a natural person, whether living or deceased. It covers all forms of personal data, whether in electronic or non-electronic form.
2. Should the Service Provider have access to such Confidential Information, the Service Provider undertakes that it shall not under any circumstances, release or disclose such Confidential Information to any third party or third party organisation. The Service Provider shall protect such Confidential Information and will employ all reasonable efforts to maintain the confidentiality of such Confidential Information.
3. The Service Provider shall implement such security measures as are reasonably necessary to protect the Confidential Information against unauthorised access, collection, use, disclosure, copying, modification, disposal or any other form of processing (as defined under the Act).

4. The Service Provider shall immediately notify the Organisation of any suspected or confirmed unauthorized access, collection, use, disclosure, copying, modification, disposal or any other form of processing (as defined under the Act) and/or misuse of Confidential Information. Without prejudice to any other rights and remedies that the Organisation may have, the Service Provider shall at its own expense render all necessary assistance to the Organisation to investigate, remedy and/or otherwise respond to such unauthorised access, collection, use, disclosure, copying, modification, disposal or any other form of processing (as defined under the Act).

5. The Service Provider shall immediately inform the Organisation if any Confidential Information is lost or destroyed or becomes damaged, corrupted or unusable. Without prejudice to any other rights and remedies that the Organisation may have, the Service Provider shall restore such Confidential Information at its own expense.

6. Before the Service Provider discloses Personal Data of any third party individuals to the Organisation, the Service Provider undertakes to obtain all necessary consents required under the Act for the Organisation to collect, use and/or disclose such personal data.

7. The Service Provider undertakes to comply with any and all obligations that apply to it under the Act and all subsidiary regulations that may be enacted from time to time under the Act.

C. CONSEQUENCES OF BREACH OF UNDERTAKING

The Service Provider acknowledges that:

1. In the event of any breach or neglect of its obligations under this Undertaking, the Organisation may exercise its right to refuse the Service Provider access to the Organisation’s premises and facilities.

2. If the Service Provider should breach any provisions of this Undertaking, the Organisation may suffer immediate and irrevocable harm for which damages may not be an adequate remedy. Hence, in addition to any other remedy that may be available in law, the Organisation is entitled to injunctive relief to prevent a breach of this Undertaking.

3. Without prejudice to any other clause(s) in this Undertaking, the Service Provider shall bear all liability and shall fully indemnify the Organisation against any and all actions, claims, proceedings (including proceedings before the Personal Data Protection Commission (“PDPC”)), costs (including costs of complying with any remedial directions and/or financial penalties that may be imposed by the PDPC on the Organisation), damages, legal costs and/or other expenses incurred by the Organisation or for which the Organisation may become liable due to any failure by the Service Provider or its employees or agents to comply with any of its obligations under this Undertaking.

4. Even after the Service Provider ceases its Purpose at the Organisation, it agrees that the obligations herein shall continue.

Name of Service Provider: _____

Service Provider’s Company Stamp: _____

Name of Representative of Service Provider: _____

Signature of Representative of Service Provider: _____

Date: _____