



RESTRICTED TENDER NOTICE

FINANCIAL AUDIT FOR SPECIAL PURPOSE GRANT FINANCIAL
STATEMENT (SPGFS) OF THE KEN- M-AMREF AND KEN-T-AMREF
GRANTS

TENDER No. 23/03/2020/005

TABLE OF CONTENTS

SECTION 1: Invitation to Tender

SECTION 2: Instructions to Tenderers

SECTION 3: Condition of Tender

SECTION 4: Confidential Business Questionnaire

SECTION 5: Terms of Reference

SECTION 1 Invitation to Tender

1. Amref Health Africa invites sealed bids from eligible candidates to conduct financial audit for Special Purpose Grant Financial Statement (SPGFS) of the KEN- M-AMREF and KEN-T-AMREF grants.
2. Complete sets of tender documents can be downloaded by eligible bidders from Amref Health Africa website; <http://amref.org/tenders/>
3. Completed tender documents for preliminary and technical requirements are to be enclosed in a plain envelope marked with the tender reference number and tender name (**The financial bid should be in a separate envelope clearly marked with the tender reference number and tender name. The financial bid will only be opened for those bidders who will have qualified in the technical evaluation**).
4. Tenders must be delivered to the address below not later than **Monday 6th April 2020 at 12 noon**. Tenders should be dropped at the **Amref Health Africa-Kenya Country Office (Along Lang'ata Road, Opposite Langata Primary School) Small Tender Box** at the **Main Reception**. Tenders will be opened at 12 noon on the closing date in the presence of the Tenderers' representatives who choose to attend at the Amref Health Africa Large Lecture room.
5. All Tenderers should seek clarification from Amref Health Africa on or before **30th March 2020 as from 10 a.m.** in writing to tender.queries@amref.org

SECTION 2 Instructions to Tenderers

2.1 Eligible Tenderers.

2.1.1 This Invitation for Tender is restricted to audit firms included on an accredited list of auditors of a recognized donor(s) with operations in the country. In the case of SAIs the auditor should be accredited as meeting required standards by any relevant authority which is qualified to assess work standards. Examples of such recognized Donors may include: World Bank, EBRD, OIG/RIG (USAID), European Commission (Court of Auditors)

2.1.2 Tenderers shall not be under a declaration of ineligibility for corrupt or fraudulent practices.

2.1.3 Bidders whose bids are wrongly marked /labeled shall be disqualified.

2.2 Cost of tendering.

2.2.1 The tenderer shall bear all costs associated with the preparation and submission of its bid. Amref Health Africa or its agents will under no circumstance be responsible or liable for those costs regardless of the conduct or outcome of the tendering process.

PRELIMINARY EVALUATION CRITERIA

Bids missing any of the documents below will be considered as non-responsive and therefore will be eliminated at this stage.

1. Must be a registered firm in Kenya with a valid certificate of registration/incorporation. Copies which must be attached.
2. Copy of PIN/Tax Compliance Certificate
3. Must provide a copy of Valid 2020 business Trading License

PRELIMINARY EVALUATION				
Mandatory Requirements				
No.	Particulars	Marks	Compliant	Non-Compliant
1.	Copy of Certificate of Incorporation / Certificate of Registration	1 or 0		
2.	Copy of Valid PIN/Tax Compliance Certificate	1 or 0		

3.	Copy of Valid 2020 business Trading License	1 or 0		
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Note: All the above documents 1 to 3 should be packaged under the preliminary evaluation criteria. Any bid lacking any of the above documents will be considered non-responsive and will not proceed to the next evaluation stage.

TECHNICAL SPECIFICATION

(a) TECHNICAL REQUIREMENTS

Particulars	Marks	Compliant	Non-Compliant
1. Providing evidence of accreditation by: <ul style="list-style-type: none"> i) The regulatory authority (1mk) ii) Recognized Donors that may include: World Bank, EBRD, OIG/RIG (USAID), European Commission (Court of Auditors) (1mk) Max: 2mks			
2. Understanding of the Scope of work and detailed proposed methodology to be used in carrying out the assignment: Mention of the following; <ul style="list-style-type: none"> i) Entry meeting (1mk) ii) Evidence review (4mks) iii) Field Visits (1mk) iv) Preliminary report (1mk) v) Exit meeting (1mk) vi) Final report (1mk) Max: 9mks			
3. Providing evidence of Similar assignments undertaken in the last 3 years <ul style="list-style-type: none"> i) 1 Assignment (1mk) ii) More than 1 assignment (1mk) Max: 2mks			
4. Providing evidence of Experience in auditing Global Fund projects of a similar size as those described in the Statement Of Works <ul style="list-style-type: none"> i) No GF experience (0mk) ii) Less than 16.3 Million USD (1mk) iii) 16.3 – 32.6 Million USD (2mks) iv) Value greater than 32.6 Million USD (3mks) 			
5. Providing evidence of Experience in audit of sub grantees (1mk)			

6. Proposed audit timetable/Work plan (1mk)			
7. Bio data/summary profile of core team members & their experience relevant to this assignment i) Biodata of core team members provided (1mk) ii) Relevant experience (1mk) Max: 2mks			
TOTAL (20 marks)			

Note: Bidders who score below 75% will be considered as non-responsive and therefore will be eliminated at this stage.

DISCLAIMER:

1. All vendors **MUST** be in the list of approved auditors by USAID and GF TB Donors
2. All prices **MUST** be quoted in USD and should be VAT exclusive.
3. All pages of the tenderers bid should be serially paginated

CONDITIONS:

1. Please note that this is not an order
2. The prices should be valid for 60 days from the date of the quotations. Prices should be exclusive of 16% VAT.
3. Indicate the expected completion/delivery time.
4. Suppliers **MUST** complete the assignment before invoicing.

2.4 Clarification of Documents

2.4:1 A prospective tenderer requiring any clarification of the tender document may notify Amref Health Africa in writing to the email address provided. Amref Health Africa will respond in writing to any request for clarification of the tender documents, which it receives prior to the deadline stated.

2.5 Amendment of documents

2.5:1 At any time prior to the deadline for submission of tenders, Amref Health Africa for any reasons, whether at its initiative or in response to a clarification requested by a

Prospective tenderer, may modify the tender documents by amendments.

2.5:2 All prospective candidates that have received the tender documents will be notified of the amendment in writing or by post and will be binding on them.

2.5:3 In order to allow prospective tenderers reasonable time in which to take the amendment into account in preparing their tenders, Amref Health Africa at its discretion may extend the deadline for the submission of tenders.

2.6 Tender Prices and Currencies

2.6:1 The tenderer shall indicate on the appropriate Price Schedule the **unit prices inclusive of all applicable taxes and the total tender price** of the items it proposes to purchase under the contract.

2.6:2 Prices quoted by the tenderer shall be fixed during the tender validity period and not subjected to variation on any account. A tender submitted with an adjustable price quotation will be treated as non-responsive and will be rejected.

2.6:3 The price quoted shall be in **U.S. Dollars**

2.7 Validity of Tenders

2.7:1 Tenders shall remain valid for 60 days or as specified in the appendix to instruction to tenderers after date of tender opening prescribed by Amref Health Africa, pursuant to paragraph 2.10. Tender valid for a shorter period shall be rejected by Amref Health Africa as non-responsive.

2.7:2 In exceptional circumstances, Amref Health Africa may seek for an extension of the period of validity.

2.8 Sealing and Marking of tenders

2.8:1 The tenderer shall seal the tender and mark it with the number and name of the tender and “DO NOT OPEN BEFORE” **12 noon, on 6th April 2020.**

2.9 Deadline for Submission of Tenders

2.9:1 Tenders must be received by Amref Health Africa at the address specified not later than **12 noon, on 6th April 2020.**

2.10 Modification and withdrawals of Tenders

2.10:1 Modification of tenders

2.10:1.1 The tenderer may modify or withdraw its tender after the tender’s submission provided that written notice of the modification, including substitution or withdrawal of the tenders, is received by Amref Health Africa prior to the deadline prescribed for submission of tenders.

2.10:1.2 The tenderer modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of paragraph 2.9:1. A withdrawal notice may be sent by email to the address provided no later than the deadline for submission of tenders.

2.11 Opening of tenders

2.11:1 Amref Health Africa will open all tenders in the presence of tenderers’ representatives who choose to attend at **12 noon, on 6th April 2020** and in the location specified in the tender. The tenderers or representatives who are present shall sign a register evidencing their attendance.

2.11:2 The tenderers’ names, tender modifications or withdrawals, and the presence or absence of requisite tender deposit and such other details as Amref Health Africa, at its discretion may consider appropriate, will be announced at the opening.

2.11:3 No tenderer may be notified after the deadline for submission of tenders.

2.12.2 Withdrawals of tender

2.12:2.1 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity specified by the tenderer.

2.13 Opening of tenders

- 2.13:1 Amref Health Africa will open all tenders in the presence of tenderers' representatives who choose to attend at **12 noon, on 6th April 2020** and in the location specified in the tender. The tenderers or representatives who are present shall sign a register evidencing their attendance.
- 2.13:2 The tenderers' names, tender modifications or withdrawals, and the presence or absence of requisite tender deposit and such other details as Amref Health Africa, at its discretion may consider appropriate, will be announced at the opening.
- 2.13:3 Amref Health Africa will prepare a tender opening report.

2.14 Clarification of tenders

- 2.14:1 To assist in the examination, evaluation and comparison of tenders Amref Health Africa, at its discretion, ask the tenderer for a clarification of its tender. The request for clarification and the response shall be in writing, and no change in the prices or substance of the tender shall be sought, offered, or permitted.
- 2.14:2 Any effort by the tenderer to influence Amref Health Africa in the tender evaluation, tender comparison or contract award decisions may result in the rejection of the tenderers' tender.

2.15 Evaluation and Comparison of tenders

- 2.15:1 Amref Health Africa will examine the tenders to determine whether they are complete, whether any computation errors have been made, whether required deposits/tender purchase have been furnished, whether documents have been properly signed and whether the tenders are generally in order. After examination a tender that will be determined to be substantially non responsive, will be rejected by Amref Health Africa.
- 2.15:2 Amref Health Africa will evaluate and compare the tenders, which have been determined to be substantially responsive.

2.16 Award Criteria

1. Must be a registered firm in Kenya with a certificate of registration/incorporation. Copies which must be attached
2. Copy of Valid PIN/Tax Compliance Certificate
3. Must provide a copy of Valid 2020 business Trading License
4. Evidence of inclusion in an accredited list of auditors of a recognized donor(s) with operations in the country. In the case of SAIs the auditor should be accredited as meeting required standards by any relevant authority which is qualified to assess work standards. Examples of such recognized Donors may include: World Bank, EBRD, OIG/RIG (USAID), European Commission (Court of Auditors)
5. Proven experience in conducting financial audits for programs/projects in the health Sector.
6. Explanation of methodology to be used in carrying out the assignment
7. Provide work schedule/plan and a detailed cost proposal in United States Dollars (USD)
8. Brief technical bio data/summary profile of core team members
9. Providing evidence of similar work undertaken recently (Not more than 3 years old)

2.17 Notification Of Award

- 2.17:1 Prior to the expiration of the period of tender validity, Amref Health Africa will notify the successful tenderer in writing that the tender has been accepted.
- 2.17:2 Simultaneously the other tenderers shall be notified that their tenders have been unsuccessful.

2.18 Contacting Amref Health Africa

- 2.18:1 No tenderer shall contact Amref Health Africa on any matter relating to its tender, from the time of the tender opening to the time the contract is awarded.
- 2.18:2 Any effort by a tenderer to influence Amref Health Africa in its decisions on tender evaluation, tender composition, or contract award may result in the rejection of the tenderer's tender.

SECTION 3 Condition of tender

1. Amref Health Africa reserves the right to deal with any tenderer of its choice or any or all parts of the tender and to procure items or services from various tenderers. Amref Health Africa is not bound to accept the lowest offer or any offer.
2. This request for tender is not a contract or an offer into a contract, but is a request for a quotation for the provision of the services indicated in this document.
3. Amref Health Africa does not undertake to pay by letter of credit or in advance of delivery.
4. Respondents are bound by their offer for a period of 60 days as from the closing date of bids.
5. Amref Health Africa is in no way responsible for any costs associated with preparing the tender response.
6. Canvassing of Amref Health Africa staff in Kenya or elsewhere in relation to this tender will result in disqualification of that individual or company.
7. Amref Health Africa supports the ethical procurement policy which strives to purchase goods and services that are produced and developed under conditions that do not involve the abuse or exploitation of any persons and have the least negative impact on the environment.
8. Transparency and Accountability: Amref Health Africa believes in honest communication, absolute openness, and the transparent use of influence, power and resources. Amref Health Africa has zero tolerance for corruption, both within the Foundation and in our dealings with outside agencies.
9. Amref Health Africa does not do business with companies that meet any of the following criteria:
 - They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;

- They have been convicted of an offence concerning their professional conduct by a judgement that has the force of res judicata;

- They have been guilty of grave professional misconduct proven by any means that the contracting authority can justify;

- They have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;

- They have been the subject of a judgement that has the force of res judicata for fraud, corruption, involvement in a criminal organisation or any other illegal activity;

- Following another procurement procedure or grant award procedure, they have been declared to be in serious breach of contract for failure to comply with their contractual obligations.

If you submit an offer based on this request, it shall constitute a guarantee that neither your company nor any affiliate or a subsidiary controlled by your company is in breach of any of the above provisions. A contract clause confirming this will be included in an eventual contract based on this request.

In addition to the ineligibility criteria applied by Amref Health Africa, negotiation with potential vendors may be severed at any stage during a procurement process if it is found that they are subject to a conflict of interest or are guilty of misrepresentation in supplying the information required by Amref Health Africa as a condition of participation in the contract procedure, or fail to supply all of the information requested.

SECTION 4 Confidential Business Questionnaire

You are requested to give the particulars indicated in part 1, either part 2; (a), 2(b) or (c) whichever applies to your type of business.

PART 1- GENERAL

Business Name

Location of Business premises:

Country/Town.....

Postal Address

Code Town.....

Tel No.....

E-mail Fax

Nature of Business

Part 2 (a) – INDIVIDUALS

Your Name in full

Nationality Country of Origin

Citizenship details

PART 2 (b) – PARTNERSHIP

Name	Nationality	Citizenship Details	Shares
1.
2.
3.

PART 2 (c) – REGISTERED COMPANY

Private or Public

State the nominal and issue capital of the company.....

Nominal Ksh

Issued Ksh

Give details of all directors as follows:

Name	Nationality	Citizenship Details	Shares
1.
2.
3.

REFERENCES

BANK REFERENCES	
BANK HOLDING MAIN ACCOUNT	
Bank name and address	
Name of account	
Account number	How long open?

COMMERCIAL REFERENCES	
Provide names and contract details of two customers who may be approached to verify your capacity to perform against similar contracts.	
INTERNATIONAL TRADE REFERENCE – CUSTOMER 1	
Name and address	
Activity	Period of relationship
Contact name	Fax no.
Telephone No.	
INTERNATIONAL TRADE REFERENCE – CUSTOMER 2	
Name and address	
Activity	Period of relationship
Contact name	Fax no.
Telephone No.	

SECTION 5 Terms of Reference

Terms of Reference for Special Purpose Grant Financial Statement (SPGFS) Audit

1. Program background, audit structure and description of entities

1.1 Program Background:

Background and Rationale for the Program

1.1.1 TB GRANT (KEN-T-AMREF)

Kenya successfully carried out the TB prevalence survey in 2015/2016; key findings indicate that TB burden in Kenya is higher than previously estimated. Prevalence is now estimated at 558/100,000 (nearly double the WHO estimates of 217/100,000) translating to about 138,000 TB cases per year implying 40% of TB cases remain undetected and untreated per year. Prevalence is twice as high in men as in women and the highest burden of TB infected people (43%) seek initial care at the private facilities including pharmacies. The country took into consideration the survey findings and Programme results to guide the funding request to Global Fund and ensure strategies and interventions respond to the identified gaps.

In TB, key success areas included the expansion of diagnostic capacity including rolling out of new technologies (GeneXpert, iLED microscopy), community involvement, and quality assured medicines which have contributed to sustained increase of bacteriologically confirmed cases, and treatment success rate at over 87% over the last three years. However, while the prevalence is higher than previously estimated, TB case notification has remained constant or even declined in the last few years despite increased efforts to find more cases at facility and community level.

Considering the TB program has generated new data through the recent prevalence survey and DRS that has established that the burden of TB is higher than previously thought, the funding request highlighted additional innovative strategies for finding the missing TB cases.

Amref Health Africa is the Non state PR for the TB grant and has been implementing the grant for some time now. Under the second phase of the New Funding Model, the TB grant runs from January 2018 to June 2021. The project is being implemented jointly by the PR and the Sub-Recipients (SRs) spread all over the country. The total grant budget is US\$ 32,651,550 distributed between Amref Health Africa (PR) and SRs as US\$ 24,388,202 and US\$ 8,263,348 respectively.

Project Goal: To accelerate reduction of TB Leprosy and Lung disease burden through provision of people-centered universally accessible, acceptable and affordable quality services in Kenya.

Project Objectives:

- To sustain the gains in the context of a newly devolved health system
- To intensify efforts to find missing cases
- To reduce transmission
- To prevent active disease and morbidity
- To enhance the quality of care for chronic diseases.

Strategies

- Improving/ increasing case finding and notification of TB cases from health facilities through adoption of new programmatic approaches including proactive case detection/screening in facilities; optimization of Gene Xpert usage and strengthening of the community referral system.
- Scaling up sputum transportation to optimize testing
- Strengthening public/private partnership
- Scaling up of X-ray use for diagnosis.
- Setting realistic MDR targets and support for MDR TB patients
- Adoption of short-term treatment regimen for MDR TB patients
- Strengthening TB/HIV coordination at county and National level to improve efficiency in utilization of resources.
- Under RSSH, strategies will aim at strengthening of PSM for Health Products under the devolved system of governance; strengthening of data systems with a focus at the county level; integrated service delivery through iCCM at community level, including RMNCH services and community systems strengthening which will build capacity to support a community response to HIV, TB and Malaria in an integrated and aligned manner.

Key Activities:

- Sensitization of CHVs in community TB-(Contact tracing, screening defaulter tracing, community screening)
- Facilitate CHVs to conduct active Contact tracing targeted screening;
- Social support for patients and DOT workers - 2018 - 2020.
- Procurement of TB Ultra Cartridges for Gene Xpert
- Scale up the use of revised IMCI package/Build capacity of health care providers on revised IMCI (which incorporates HIV, TB and malaria) in 5 counties
- Scale up of IMCI- ICATT in 5 counties
- Procurement integrated national specimen courier services to support sample shipment and referral
- Continue supporting EQA in 35 laboratories :- Procurement of EQA panels
- Review Meeting with SRs
- Support for monthly facility-based ACF meetings
- Support innovative proposals from non-state actors at county level (CBOs, NGOs, SHGs, and FBOs) towards finding the missing cases of TB
- Sensitization of PLHIV and CHVs on active TB Case Finding, HIV testing, Isoniazid, Human rights and patients' rights for demand creation.
- CHEWs Support supervision to CHVs TB & HIV activities:- CHEWS airtime

1.1.2 MALARIA GRANT(KEN-M-AMREF)

Kenya has four malarial epidemiological zones: the coast *endemic zone* around the lake Victoria region in Nyanza, Western Kenya and Coastal regions; *highland epidemic-prone zone* in the western highlands of Kenya, highland in sub-counties of Rift Valley, Nyanza and Western regions; *seasonal malaria transmission* areas that experience short periods of intense malaria transmission during the rainy seasons and include the arid and semi-arid regions of the North Rift Valley and the South-Eastern parts of the country; and *the low risk zone* which covers the Central Highlands of Kenya, including Nairobi.

The National Malaria Control Program (NMCP) of Kenya estimates that 70% of the Kenyan population is at risk of malaria and 66% (two thirds of the population) is at risk of malaria in endemic, highland epidemic-prone and seasonal transmission areas. In Kenya, the malaria

prevalence among children under 14 years of age declined nationally from 11% in 2010 to 8% in 2015. Similarly, the prevalence of severe anaemia (haemoglobin levels <8 g/dL) among children ages 6-59 months declined significantly from 3% in 2010 (KMIS 2014-2018) to 1% in 2015 (KMIS 2015), with greater decline in lake endemic zones, from 4% in 2010 to 2% in 2015.

Trends in malaria incidence from 2012 to 2015 are attributed to the roll-out of the mRDTs and significantly enhanced reporting through DHIS2 platform. From 2010 to 2015, the proportion of facilities visited through the Quality of care survey having malaria diagnostics available increased from 53% to 93% (QoC 11) and the proportion of the suspect cases tested increased from 24% to 64% (QoC 11). Completeness of reporting through the DHIS2 also improved from <50% in 2012 to >80% in 2016.

In parallel to the decline in malaria prevalence, nationally mortality among children under five declined from 115 deaths per 1,000 live births in 1999-2003 (DHIS 2014) to 52 deaths per 1,000 live births in 2010-2014 (DHIS 2014). Reductions in mortality rates were similar among neonatal, post-neonatal, infant and child populations. The reduction in under-five mortality was greatest among children living in the highest malaria risk zones compared to those in the lower risk zones. Kenya's malaria funding request was aligned to the country's National Malaria Strategic plan.

In the malaria endemic and epidemic prone zones, malaria still mainly affects children and pregnant women and interventions such as routine distribution of Long-Lasting Insecticide Nets (LLINs) and intermittent preventive treatment (IPT) are designed to primarily target these two groups.

The Malaria grant is being implemented by two principal recipients (PR); namely The National Treasury (PR 1) for the Government and Amref Health Africa (PR 2) for the non-state actors: The two grants complement each other with the National Treasury undertaking mainly treatment and prevention at facility level plus vector control measures such as LLIN while Amref Health Africa is implementing mainly the community case management of malaria, conducting training and undertaking behavioral change communication (BCC) activities. Kenya has focused its malaria strategy and interventions based on the epidemiological stratification of Kenya's malaria prevalence / incidence. The implementation of the national malaria strategy is a joint effort of various stakeholders including the Government of Kenya (Central and County), civil society, community-based organizations, private sector, technical partners (WHO and RBM) and development partners (including the Global Fund, PMI, DFID and World Bank).

Under the second Phase of New Funding Model for Global Fund, the Malaria grant runs from January 2018 to June 2021. For Amref as a PR, the total Grant budget is US\$ 13,240,138. The project is being implemented by the PR through 11 SRs.

1.2 Program Entities and audit approach:

1.2.1 TB GRANT (KEN-T-AMREF)

The audit will be conducted centrally at the PR offices (Amref Health Africa in Kenya) in Nairobi where all the financial records for both the PR and the SRs including the financial support documentation are maintained. During the audit, the auditors may decide to sample a few SRs for visiting if need be or engage the sampled SR's Management by email.

This audit will be a consolidated grant-specific audit opinion – this involves one overall audit opinion combining the balances and transactions of the PR and SRs.

The table below highlights the periods to be audited plus the associated budget.

Period to be audited	Budget Related to audit period for the PR (US\$)	Budget Related to audit period for the SRs (US\$)
1st January 2019 to 31st December 2019	\$8,104,545	\$2,028,866
1st January 2020 to 31st December 2020	\$4,480,073	\$2,112,346
1st January 2021 to 30th June 2021	\$632,973	\$1,051,754

Principal Recipient:

Amref Health Africa, as the PR, implements the activities across the country. Some of the major activities are as outlined below:

- Procure & Install power inverters & Gene Xpert for 50 sites
- Printing and Dissemination of IPC policy guidelines(Community based TB tools)
- Sensitize media in coverage and reporting for TB & facilitate media to cover TB stories in hard to reach areas
- High Level meetings with corporates on TB
- One sensitization forum for cross sectional stakeholders from justice, labor and housing, poverty and social protection on TB related human rights
- Provide legal aid clinics to TB patients through their support groups
- Sensitize 100 lawyers on TB related human rights and legal issues and develop a legal support network of pro bono lawyers to support cases and attend legal aid clinics
- Social support for patients and DOT workers - 2018 - 2020
- Outreach services for community using mobile x-ray and Gene Xpert
- Procurement of TB Ultra Cartridges for Gene Xpert
- Conduct supportive supervision and accreditation (assessment) of the newly trained on iCCM in 10 counties
- Development of Advocacy Communication and Social Mobilization (ACSM) strategy for Neonatal Child and Adolescent Health
- Print iCCM manuals, job aids and tools
- Develop laboratory quality and sample referral handbook and guidelines

- Printing of laboratory quality and sample referral handbook and policy guidelines
- Procurement integrated national specimen courier services to support sample shipment and referral
- Maintain LIMS in 24 laboratories
- Continue supporting EQA in 35 laboratories :- Procurement of EQA panels
- Pay for performance in 10 high burden counties that account for 50% of notified TB cases countrywide
- Support innovative proposals from non-state actors at county level (CBOs, NGOs, SHGs, FBOs) among other activities

Sub Recipients:

Below is the list of the Sub Recipients implementing under the TB grant, the counties in which they are implementing and the Key activities they are implement in the counties.

Name of organization	County/Countries of implementation	Key Activities
<p>1. Ananda Marga Universal Relief Team (AMURT)</p>	<p>Kilifi , Marsabit, Kwale and Samburu Counties</p>	<ul style="list-style-type: none"> • Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. • Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. • Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. • Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB • Support to three linkage assistants to support TB Active Case Finding in high volume health facilities • Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
<p>2. Blue Cross Nyatike (BCN)</p>	<p>Taita Taveta County</p>	<ul style="list-style-type: none"> • Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. • Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education.

		<ul style="list-style-type: none"> ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per Sub County.
3. Community Asset Building and Development Action (CABDA)	Kakamega County	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county ○ Pay for Performance to find the missing people with TB where health facilities are paid for additional TB cases notified and for the quality of TB services offered. "
4. Community Health Africa Trust (CHAT)	Laikipia, Isiolo Counties	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB

		<ul style="list-style-type: none"> ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
5. Community Initiatives Concern (CINCO)	Kisumu County	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per Sub County.
6. Community Support Platform- CSP	Kakamega County	<ul style="list-style-type: none"> ○ Kenya Innovation Challenge TB Fund (KIC-TB) to find the missing people with TB in the communities. The innovation is named; School children leading the fight against TB. the activities include; Follow up of presumptive household members screened by school going children, Supporting CHV's to follow up screened clients in schools and at home, Carry out bi-annual feedback meetings for stakeholders to communicate results of intervention, receive feedback and refine approaches as may be necessary, Carry out data validation & support supervision to schools & health facilities, among other activities
7. Council of Imams and Preachers Kenya Taita Taveta Branch (CIPK)	Lamu County	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education.

		<ul style="list-style-type: none"> ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
8. Daraja Mbili Vision Volunteers Youth Group	Kisii County	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
9. Eagle Neema Self Help Group	Nyeri County	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ 4. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities

		<ul style="list-style-type: none"> Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
10. Family Programmes Promotion Services (FPPS)	Muranga County	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. 4. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
11. Fighting HIV & AIDS in Kenya (YOFAK)	Homabay County	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. 4. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
12. Heroes Oasis Counseling Centre	Homabay County	<ul style="list-style-type: none"> Kenya Innovation Challenge TB Fund (KIC-TB) to find the missing people with TB in the communities. Using TB champions to identify inmates with signs and symptoms of TB and use of mobile phones to screen for TB using a USSD platform dubbed i-screen.
13. Impact Research and	Migori and Siaya Counties	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of

<p>Development Organization (IRDO)</p>		<p>TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter.</p> <ul style="list-style-type: none"> ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county ○ Pay for Performance to find the missing people with TB where health facilities are paid for additional TB cases notified and for the quality of TB services offered. "
<p>14. Kenya Association for Prevention of Tuberculosis and Lung Disease(KAP TLD)</p>	<p>Nairobi and Kiambu Counties</p>	<ul style="list-style-type: none"> ○ Kenya Innovation Challenge TB Fund (KIC-TB) to find the missing people with TB in the communities. Uses mobile phones/USSD platform to for self-screening, targeting people working in industries. ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
<p>15. Kenya Aids NGOs Consortium (KANCO)</p>	<p>Bungoma, Kwale, Mombasa and Kitui Counties</p>	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter.

		<ul style="list-style-type: none"> Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county Pay for Performance to find the missing people with TB where health facilities are paid for additional TB cases notified and for the quality of TB services offered. "
16. Kenya Conference of Catholic Bishops (KCCB)	Kirinyaga, Tharaka Nithi, Embu, Meru, and Nyandarua Counties	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per Sub County.
17. Kibera Community Self Help Programmes, Kenya (KICOSHEP)	Nairobi County	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment.

		<ul style="list-style-type: none"> ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per Sub County.
18. Kipini Integrated Community Enterprise(KICE)	Tana River County	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per Sub County.
19. Malteser International	Nairobi	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county ○ Pay for Performance to find the missing people with TB where health facilities are

		paid for additional TB cases notified and for the quality of TB services offered. "
20. NAIS Healthcare Limited	Kajiado Counties	<ul style="list-style-type: none"> Kenya Innovation Challenge TB Fund working through NAIS Healthcare Limited, the Global Fund TB project seeks to engage private owned pharmacies and clinics to conduct TB screening to eligible customers e.g. those buying medicines for respiratory conditions and collect sputum samples for those presumed to have TB, which are then transported to diagnostic sites by motorbike riders.
21. National Empowerment Network of People Living With HIV & AIDS in Kenya (NEPHAK)	Nandi County	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
22. Neighbors in Action- Kenya	Uasin Gishu, Baringo and Elgeyo Marakwet Counties	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities

		<ul style="list-style-type: none"> Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per Sub County.
23. North Star	Mombasa	<ul style="list-style-type: none"> Kenya Innovation Challenge TB Fund (KIC-TB) to find the missing people with TB in the communities .Tibika Jikingo : Bringing TB services to truck drivers, sex workers and corridor communities.
24. Our Lady of Perpetual Support For People Living with AIDS and Orphans	Kisumu, Kericho, Bomet and Nyamira Counties	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
25. OUT-REACH Community Education & Participatory Development	Mandera and Wajir Counties	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
26. Partnership for an HIV free	Mombasa County	<ul style="list-style-type: none"> Kenya Innovation Challenge TB Fund (KIC-TB) to find the missing people with TB in the communities. TB screening in the Matatu industry

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27. Pokot Rural Development Project Self Help Group (PRDP)	West Pokot County	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county
28. Resources Oriented Development Initiative	Kiambu County	<ul style="list-style-type: none"> ○ Kenya Innovation Challenge TB Fund (KIC-TB) to find the missing people with TB in the communities. Closing TB gap in prisons, police stations plantations and industries in Kiambu County
29. SEMA LTD	Nairobi County	<ul style="list-style-type: none"> ○ Kenya Innovation Challenge TB Fund (KIC-TB) to find the missing people with TB in the communities. SELT-T using multi-government agencies (Huduma Centres) as hotspots for TB self-screening by Automated Tb Screening Machine
30. Sisters Maternity Home (SIMAHO)	Garissa County	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities

		<ul style="list-style-type: none"> ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county ○ Pay for Performance to find the missing people with TB where health facilities are paid for additional TB cases notified and for the quality of TB services offered.
31. St. Joseph HIV/AIDS Self Help Group	Nyeri County	<ul style="list-style-type: none"> ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per Sub County.
32. TAC Health Africa	Nairobi and Makueni Counties	<ul style="list-style-type: none"> ○ Kenya Innovation Challenge TB Fund (KIC-TB) to find the missing people with TB in the communities. Setting up of the call center is the engine of TAC HA innovation. This will be a one stop center where screening and referrals will be done by the professional call center attendants. ○ Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities

		<ul style="list-style-type: none"> Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per Sub County.
33. TALAKU Community Based Organization	Kajiado County	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per Sub County.
34. Women Fighting AIDS in Kenya (WOFAK)	Busia and Mombasa Counties	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population, tracing of TB treatment interrupters, TB/HIV and TB Patients Charter. Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB Support to three linkage assistants to support TB Active Case Finding in high volume health facilities Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county Pay for Performance to find the missing people with TB where health facilities are paid for additional TB cases notified and for the quality of TB services offered. "
35. World Vision Kenya (WVK)	Nakuru, Trans Nzoia and Narok Counties	<ul style="list-style-type: none"> Sensitization of CHVs in community TB including TB screening among contacts of TB patients and in the general population,

		<p>tracing of TB treatment interrupters, TB/HIV and TB Patients Charter.</p> <ul style="list-style-type: none"> ○ Supporting CHVs to visit households of bacteriologically confirmed TB patients and children under 5 years with TB for contact screening and household health education. ○ Supporting CHVs to trace patients who interrupt TB treatment and refer those found back to treatment. ○ Supporting one MDR TB champion to conduct health education at health facilities and advocacy for TB ○ Support to three linkage assistants to support TB Active Case Finding in high volume health facilities ○ Support for quarterly facility-based Active Case Finding meetings in two high volume facilities per sub county ○ Pay for Performance to find the missing people with TB where health facilities are paid for additional TB cases notified and for the quality of TB services offered. "
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1.2.2 Malaria GRANT (KEN-M-AMREF)

The audit will be conducted centrally at the PR offices (Amref Health Afiricain Kenya) in Nairobi where all the financial records for both the PR and the SRs including the financial support documentation are maintained. During the audit, the auditors may decide to sample a few SRs for visiting if need be or engage the sampled SR's Management by email.

This audit will be a consolidated grant-specific audit opinion – this involves one overall audit opinion combining the balances and transactions of the PR and SRs where applicable

The table below highlights the periods to be audited plus the associated budget.

Period to be audited	Budget Related to audit period for the PR (US\$)	Budget Related to audit period for the SRs (US\$)
1st January 2019 to 31st December 2019	\$1,726,767	\$2,845,176
1st January 2020 to 31st December 2020	\$1,207,679	\$1,385,003
1st January 2021 to 30th June 2021	\$578,007	

Principal Recipient:

Amref Health Africa, as the PR, implements the activities across the Malaria endemic zones in Kenya. Some of the major activities are as outlined below:

- Printing of CHIS Tools- Vihiga
- CSS TWG onsite monitoring and Mentorship
- Onsite Monitoring and Mentorship of SRs
- SR Quarterly Review Meetings
- Review Meetings with Govt (MCP) and KCM
- Documentation of Best Practices
- RSSH-Financial Management System-National Treasury
- Print and Distribution CHIS Tools

Below is the list of the Sub Recipients implementing under the Malaria grant, the counties in which they are implementing and the Key activities they are implementing in the counties

#	Name of organization	County/Counties of implementation	Key Activities
1.	Community Concern Initiative (CINCO)	Kisumu	<ul style="list-style-type: none">· Community Case Management of Malaria· Promotion of malaria prevention activities through school pupils· Data Quality audit to health facilities· Supportive supervision to health facilities· Supportive supervision to Community Health Units
2.	Catholic Medical Missions Board (CMMB)	Nyamira	<ul style="list-style-type: none">· Promotion of malaria prevention activities through school pupils· Data Quality audit to health facilities· Supportive supervision to health facilities· Payment of stipend to CHVs· Supportive supervision to Community Health Units
3.	Integrated Development Facility (IDF)	Homabay (Rachuonyo East and Rachuonyo North Sub Counties)	<ul style="list-style-type: none">· Promotion of malaria prevention activities through school pupils· Data Quality audit to health facilities· Supportive supervision to health facilities· Payment of stipend to CHVs· Supportive supervision to Community Health Units
4.	Impact Research and Development Organization (IRDO)	Siaya, Vihiga (Emuhaya Sub County)	<ul style="list-style-type: none">· Promotion of malaria prevention activities through school pupils· Data Quality audit to health facilities· Supportive supervision to health facilities· Supportive supervision to Community Health Units

			<ul style="list-style-type: none"> ▫ Pilot on integration of HIV, TB, Malaria activities at community level
5.	KANCO	Bungoma	<ul style="list-style-type: none"> ▫ Promotion of malaria prevention activities through school pupils ▫ Data Quality audit to health facilities ▫ Supportive supervision to health facilities ▫ Supportive supervision to Community Health Units
6.	Kinda Women Group	Homabay (Homabay Town, Mbita & Suba Sub Counties)	<ul style="list-style-type: none"> ▫ Promotion of malaria prevention activities through school pupils ▫ Data Quality audit to health facilities ▫ Supportive supervision to health facilities ▫ Payment of stipend to CHVs ▫ Supportive supervision to Community Health Units
7.	Kisii Network for Ecological Agriculture and Development (KNEAD)	Kisii	<ul style="list-style-type: none"> ▫ Promotion of malaria prevention activities through school pupils ▫ Data Quality audit to health facilities ▫ Supportive supervision to health facilities ▫ Payment of stipend to CHVs ▫ Supportive supervision to Community Health Units
8.	Population Services Kenya (PSK)	Busia, Mombasa, Kilifi, Lamu, Tana River, Kwale, Taita Taveta	<ul style="list-style-type: none"> ▫ Promotion of malaria prevention activities through school pupils ▫ Data Quality audit to health facilities ▫ Supportive supervision to health facilities ▫ Supportive supervision to Community Health Units
9.	Rural Aids Prevention and Development Organisation (RAPADO)	Migori	<ul style="list-style-type: none"> ▫ Promotion of malaria prevention activities through school pupils ▫ Data Quality audit to health facilities ▫ Supportive supervision to health facilities ▫ Payment of stipend to CHVs ▫ Supportive supervision to Community Health Units
10.	World Vision Kenya	Kakamega, Vihiga	<ul style="list-style-type: none"> ▫ Promotion of malaria prevention activities through school pupils ▫ Data Quality audit to health facilities ▫ Supportive supervision to health facilities ▫ Payment of stipend to CHVs ▫ Supportive supervision to Community Health Units
11.	Youth Fighting Aids in Kenya (YOFAK)	Homabay (Rachuonyo South and Ndhiwa Sub Counties).	<ul style="list-style-type: none"> ▫ Promotion of malaria prevention activities through school pupils ▫ Data Quality audit to health facilities ▫ Supportive supervision to health facilities ▫ Payment of stipend to CHVs

			Supportive supervision to Community Health Units
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2. Contacts:

The Principal Recipient shall provide a list of important contacts for the conduct of the audit including their full contact details. This shall include at a minimum: Principal Recipient Chief Executive and Chief Finance Executive, Program Manager, Grant Finance Manager, sub-recipient Chief Executives, Program Managers and key finance contacts.

3. Objectives of the Audit

The **objective of the financial audit** is to enable the auditor to express an independent professional opinion on:

- i. Whether the Special Purpose Grant Financial Statements (SPGFS) present fairly in all material respects the financial position, funds received and expenditures by the Principal Recipient (and sub-recipients¹) for the reporting period and in accordance with the applicable accounting framework;
- ii. Whether, in all material respects, the grant funds have been used in conformity with the provisions of the Grant Agreement, including the approved budget and workplan and any amendments thereto as contained in implementation letters.

The **objective of the audit** is also to evaluate, obtain sufficient understanding and comment on whether the program internal control framework is satisfactory and to report on the weaknesses identified. The auditor **must** review the internal control framework of the Principal Recipient and key sub-recipients identified by the Global Fund Country team in consultation with the Principal Recipient. This review includes any third-party agent managing a process in the implementation of the grant².

4. Responsibility for the preparation of Special Purpose Grant Financial Statements (SPGFS).

The responsibility for the preparation of consolidated SPGFS or of separate SPGFSs for each entity covered by the audit, if applicable, lies with the Principal Recipient which delegates the responsibility to the sub-recipients for their respective sub-grants.

5. Special Purpose Grant Financial Statements (SPGFS).

The SPGFS should include the following components:

¹ Depending on the scope of the audit report as described in section 1.2.

² E.g. fiduciary agents, fiscal agents, central medical stores, and others. However, this excludes the Global Fund managed processes such as the Pool Procurement Mechanisms/Wambo

- i. In the currency of the grant agreement³, an Income and Expenditure Statement (IES) showing the Global Fund's funds received, any other income received and all grant expenditures⁴. Grant expenditures should be reported against the budget in the format appended to the guidelines;
- ii. Any other notes applicable including as a minimum the breakdown of the following [To be tailored by the Country Team/ Principal Recipient where necessary⁵]:
- iii. Supplemental statements on advances and fixed assets, including
 - a. a statement showing sub-recipient advances and reconciliation of the total amount of grant funds advanced by the Principal Recipient to sub-recipients and total grant cash balance with sub-recipient recorded expenditure and Principal Recipient/sub-recipient cash balances at the end of the reporting period;
 - b. summary statement of assets showing the fixed assets purchased with grant funds. This summary statement should show the assets brought forward from previous periods (opening balances) as well as the additions, disposals, write-offs of the period being audited and the closing balance⁶; and
 - c. The notes to the supplemental statements. These notes include information that would enhance a user's understanding of the supplemental statements (significant assumptions, accounting estimates and related disclosures etc.) as well as the necessary tax recoverable disclosures⁷.

6. Available documents and facilities

With respect to each grant, the Principal Recipient will provide the auditor with access to all books and records pertaining to the grant as requested by the auditor, including a list of all key Principal Recipient and sub-recipient locations, noting the key documents held at each location. An indicative list of the documents which may be requested by the auditor includes:

- i. The grant program financial statements;
- ii. Grant and sub-grant agreements, including the detailed budgets;
- iii. Main supporting schedules to the financial statements including: income and expenditure, assets and liabilities, cash records;
- iv. Interim quarterly or biannual grant activity reports, as applicable (programmatic as well as financial);
- v. General ledger, cash book, other important books and records held at either Principal Recipient or sub-recipient level;
- vi. Original supporting documentation to all reported expenditures (invoices, full support for all procurement of health products or other procurements requiring tender procedures, payrolls, bank vouchers, journal vouchers etc.) held at either Principal Recipient or sub-recipient level;
- vii. Bank statements;

³ The statements may be presented in local currency, but the grant reporting currency equivalents must be shown

⁴ When the audited period overlaps two Allocation Utilization Periods (AUP), the Financial Statements prepared by the Principal Recipient must distinguish Revenues and Expenditures for each AUP. This will be the case for extensions funded with the next Allocation funds

⁵ The Principal Recipient must maintain a fixed asset register which could be required when needs by the Country Team and the different assurance providers

⁷ Refer to the Principal Recipient tax information described in [the Core PUDR guidelines](#) for relevant details

- viii. Important correspondence between Global Fund and Principal Recipient, Principal Recipient and sub-recipients pertaining to grant implementation matters;
- ix. Financial procedures manuals, systems descriptions or any other documentation explaining the processes contributing to the production of reliable financial reports and maintaining internal control, either at Principal Recipient or sub-recipient levels;
- x. Minutes of management meetings;
- xi. Internal audit reports relevant to Global Fund expenditures or any systems, governance or other issue which impinges on Global Fund grants.

7. Audit Scope of Work

The audit should be conducted in accordance with International Standards on Auditing (ISA) or International Standards of Supreme Audit Institutions (ISSAIs) and will include such tests and controls as the auditor considers necessary under the circumstances.

As part of the comprehensive audit report, the auditor must report on the following aspects:

- i. **Compliance with applicable legislation:** Verify that the transactions comply in all material respects with any applicable legislation;
- ii. **Reconciliation of General ledger with SPGFS:** Review of the general and program ledgers to determine whether costs incurred were properly recorded ensuring that the costs charged to the grant reconcile to the program and general ledgers. Reconciliation of the SPGFS to the underlying records, principally the cash book.
- iii. **Grant expenditures:** Funds received by the Program⁸ from disbursements, or generated by the Program's funds⁹, were spent in conformity with the approved budget and work plan existing at the time of the expenditure and in line with provisions of the Grant Agreement, including any applicable grant conditions (as amended by any Implementation Letters), and only for the purposes for which the funds were provided. The auditor should also pay attention to the shared costs especially on the allocation mechanism and review these costs for accuracy, completeness and reasonableness;
- iv. **Eligible costs:** Review of the costs charged to the grant identifying and quantifying any ineligible costs as well as agreeing expenditure to supporting documents on a sample basis. Compare actual expenditure with the budget, and obtain explanations for variances obtained (unapproved material budget variations should be included in the ineligible expenditure schedule)
- v. **System of internal controls:** Assess the Principal Recipient and key risky sub-recipient's internal controls based on the COSO framework. The auditor will be requested to identify the key controls of the program (entity, process and transaction levels) for each of the main operational processes and test them for effectiveness (design and operation). Based on risk, the auditor **must** review the internal control framework (financial and non-financial controls)¹⁰ of the **Principal Recipient** and **key sub-recipients** identified by the Global Fund Country team in consultation with the Principal Recipient. If an important process is outsourced or entrusted to a **third-party**¹¹, the auditor must also include such third-party in the scope of the review. For the Focused countries, the auditor should limit their assessment to the financial controls of the Principal Recipient/sub-

⁸ Including goods and services from direct disbursements to third parties.

⁹ From Interest generated, Revenues, exchange gains, VAT recoveries, recovery of funds from ineligible expenditures or other concept, etc.

¹⁰ Program management and monitoring (including sub-recipients' management), stock management, financial management (including management of the risk of fraud)

¹¹ For example, fiduciary agents, fiscal agents, central medical stores, and others. However, this excludes the Global Fund managed processes such as the Pool Procurement Mechanisms/Wambo

recipients. Specific attention should also be paid to controls with respect to the risk of fraud at the Principal Recipient and sub-recipients.

- vi. **Follow up on the status of findings of previous audit reports:** The auditor should follow up on management's intended actions to address the findings of previous audits, including external audit, relevant internal audits and audits issued by the Office of the Inspector General (OIG) of the Global Fund;
- vii. **Designated bank accounts:** Where designated accounts (including those being used under an approved pooled funding program implementation mechanism) have been used by the Principal Recipient and sub-recipients, they have been maintained and operated in accordance with the provisions of the Grant Agreement and in accordance with the Global Fund's rules and procedures;
- viii. **Funds flow mechanisms:** Review of the procedures used to control the funds, including their channelling to contracted financial institutions and other implementing entities. Review the bank accounts and the controls on those bank accounts. Perform positive confirmation of balances, as necessary.
- ix. **Safeguarding of assets:** Verify that the Principal Recipient has put in place mechanisms for the tracking and safeguarding of assets purchased with grant funds and that they are being used for the intended purposes. Verify that Program's fixed assets register exists, is maintained in accordance with the Grant Agreement; that property rights or related beneficiaries' rights are established in accordance with the Grant standard terms and conditions;
- x. **Disbursements to Sub Recipients:** Verify that disbursements made by the Principal Recipient to sub-recipients are in line with the sub-recipient sub-grant agreements and the approved work plan and budget. Verify that the Principal Recipient follows adequate process for validating expenditure reports submitted by the sub-recipients;
- xi. **Data retention and supporting documentation:** Necessary supporting documents, records, and accounts have been retained in compliance with provisions of the Grant Agreement. Procedures exist for security and management of electronic data (backup systems and procedures, etc.);

In addition, the Global Fund may request the auditors to review the following areas of concern, in which case the additional scope would be agreed between the Global Fund and the auditors in advance:
- xii. **Goods and services** - have been procured transparently, competitively and in accordance with the Grant Agreement and relevant procurement Guidelines approved by the Global Fund;
- xiii. **Procurement systems for pharmaceutical and health products**¹² – Review of the procurement procedures to determine whether sound commercial practices including competition were used, reasonable prices were obtained, and adequate controls were in place over the quality and quantities of products received;
- xiv. **Human Resource costs** - Review of direct salary charges to determine that salary rates are reasonable for that position, in accordance with those approved by the Global Fund when approval is required and supported by appropriate payroll records.
- xv. **Travel and related costs** - Review of travel and transportation charges to determine whether they are adequately supported and approved.

¹² Excludes all procurement directly performed by the Global Fund on behalf of the Principal Recipient such as the Pool Procurement Mechanisms/Wambo

8. Audit Procedures

8.1 Planning

8.1.1. Kick off Meeting with the Principal Recipient:

For each grant, the auditor will arrange for an opening meeting with the Principal Recipient to discuss and explain the planning, fieldwork and reporting. The auditor will explain the nature, objectives and scope of the audit.

During the preparatory and kick-off meetings, the auditor may request additional information and documents that he/she considers necessary or useful for the planning and fieldwork of the audit. The auditor may contact the Principal Recipient directly to obtain such information. For all Focused countries, the attendance of the Local Fund Agent is mandatory. In High Impact and Core countries, the participation of the LFA would be based on Country Team needs.

8.1.2. Planning Activities, Audit Plan and Audit Work Programs

For each grant, the auditor should plan the audit so that it is performed in an effective and efficient manner. Adequate planning involves ensuring that appropriate attention is devoted to important areas of the audit, that potential problems are identified and resolved on a timely basis and that the audit is properly organized and managed within the due dates.

The assessment of the risks of material misstatement at the financial statement level, and thereby the auditor's overall responses, is affected by the auditor's understanding of the control environment.

The auditor should have an audit plan documenting the audit approach and key principles of audit planning, fieldwork and reporting. The auditor should have audit work programs that detail and document the audit tests and procedures.

Before the start of the fieldwork and before the kick-off meeting, the auditor should provide to the Global Fund Finance Specialist¹³ and the Principal Recipient, the audit plan for each grant including the scope of the review. Enhanced focus will be placed on the audit approach at the Principal Recipient but also at the selected sub-recipients.

8.2 Materiality

The auditor should apply materiality and a risk-based approach to detect material errors and misstatements in the expenditure and revenue stated in the Grant Financial Statements, whether caused by error or fraud.

The auditor uses professional judgment to assess whether a finding of non-compliance is material. A reasonable basis should be determined as used by the auditor to set the materiality level. For instance, the threshold may be applied to the total amount of gross expenditure¹⁴ for

¹³ The Global Fund Finance Specialist may engage directly with the auditor in instances where independence and the unpredictable nature of audits may be compromised by sharing the detailed audit plan with the Principal Recipient.

¹⁴ PPM related cost should be deducted from this gross total given the low level of risk associated with this mechanism

the Grant for the period being audited. Gross expenditure is the total actual expenditure incurred for the Grant before deduction of Grant related revenue (e.g. interest).

8.3 Fieldwork

8.3.1 Obtaining evidence regarding the design of controls and performing tests of controls

The auditor will perform procedures to obtain evidence regarding the design of controls and perform tests of controls if he/she considers this appropriate or necessary for the purpose of this financial audit.

The auditor will focus the tests of controls on key financial controls, which relate to the subjects described in the terms of reference and which are relevant to the management of the risks. Findings of significant weaknesses and deficiencies in the design or operating effectiveness of the Principal Recipient controls should be reported in the Management Letter.

For Core countries, High Impact countries and a selected number of high risk Focused countries, the auditor **must** review the internal control framework (financial and programmatic) of the Principal Recipient and key sub-recipients identified by the Global Fund Country team in consultation with the Principal Recipient and report thereon. At the discretion of the Country Team, such testing could be performed during an **interim audit** at the Principal Recipient.

8.3.2 Substantive Procedures

The auditor should perform substantive procedures to be responsive to his/her assessment of the risks of material errors or misstatements in the expenditure and revenue stated in the Grant Program Financial Statements, whether caused by error or fraud. The results of tests of controls, if any, should be taken into account. The auditor should perform substantive procedures which cover the subjects described in the terms of reference and which are relevant to the management of the risks¹⁵.

Regarding the risk of fraud, the auditor must comply with the International Standard on Auditing 240 “the Auditor’s responsibilities relating to fraud in an audit of financial statements”

8.3.3 Sampling and other means of selecting items for testing

When designing and performing tests of controls and substantive tests, the auditor should apply audit sampling or other means of selecting items for testing. Audit sampling involves the application of audit procedures to less than 100% of items within a population of audit relevance (e.g. a class of transactions or account balance) such that all sampling units have a chance of selection in order to provide the auditor with a reasonable basis on which to draw conclusions about the entire population.

Audit sampling can use either a statistical or a non-statistical approach. The auditor may use a judgmental selection of specific items from a population (e.g. high value or key items, all items over a certain amount, items to obtain information or items to test control activities).

While selective examination of specific items will often be an efficient means of obtaining evidence, it does not constitute sampling. The projection to the entire population, of results of

¹⁵ When Designing and Performing Tests of Controls The..." <<https://www.coursehero.com/file/p13iulp/When-designing-and-performing-tests-of-c/>>.

procedures applied to items selected in this way is not possible; accordingly, selective examination of specific items does not provide evidence concerning the remainder of the population. Sampling, on the other hand, is designed to enable conclusions to be drawn about an entire population based on testing a sample drawn from it.

The auditor **must** clearly provide details of the expenditure coverage by budget line and recipient and the sample selection methodology. Annex 3 to these terms of reference should be used to document this information.

8.3.4 Analytical procedures

Analytical procedures must be performed by the auditor, such procedures consists in verifying the financial data by assessing the plausible connections between both financial and non-financial information. **The analytical review of actual expenditure incurred with the Grant budget (budget – actual comparisons) is a critical compliance check.**

8.3.5 Using the work of internal auditors

If relevant for the audit, ISA 610 “Using the Work of Internal Auditors” should be used by the auditor. If the auditor assesses that the internal audit function can be relied on for the assignment, the auditor should:

- Evaluate the specific work of the internal auditor and to what extent such work can be considered for the audit.
- Assess if the work of the internal audit is adequate for the objective of the audit.

Where the Principal Recipient has an internal audit function and the auditor does not rely on it, the auditor will be required to provide recommendations for improvement of the internal audit function in a dedicated section in the management letter.

8.3.6 Using the work of an expert

The auditor may use the work of an individual or organization presenting an expertise in a field other than accounting or auditing, that is necessary to obtain sufficient evidence to reach his/her conclusion. The auditor should comply with ISA 620 (Using the Work of an Auditor's Expert) insofar as this ISA is relevant to the audit.

8.3.7 Written representations

Per the standard requirement stipulated in ISA 580 - Written Representations, the Principal Recipient Management should provide the auditor with a written representation letter. The auditor must request a letter of representation signed by the member(s) of the management of the Principal Recipient who has the primary responsibility for the grant and its financial aspects.

8.3.8 Complementary letter

The auditor may, at any time during the audit process, draw up a complementary letter if he/she considers that the Global Fund must be made aware of facts and issues that are urgent, very unusual or of particular interest and importance to the Global Fund.

For instance, this could be the case of any fraud or irregularity that has occurred or that is likely to occur. The Global Fund will decide on follow-up measures including, where appropriate, the launching of an investigation by its Office of Inspector General.

8.3.9 Debriefing Memorandum ('Aide Mémoire')

The auditor will draft a Debriefing Memo for the closing meeting which will provide the main findings for discussion. The Principal Recipient should send a copy of the memo or draft report to the Global Fund.

8.3.10 Audit Exit Meeting in country

The auditor should organize a closing meeting with the Principal Recipient. The purpose of this meeting is to discuss the Debriefing Memo and to obtain the confirmation and initial comments of the Principal Recipient on the auditor's findings and recommendations. The auditor and the Principal Recipient can agree outstanding information to be provided by the Principal Recipient and where applicable, a deadline for submission.

At the request of the Global Fund Country Team, the auditor will also debrief the Country Coordinating Mechanism on the conclusion of the audit. The Local Fund Agent should, at the request of the Global Fund, also be invited to participate in this meeting. For the Focused countries, attendance of the LFA is mandatory.

9. Auditor's report and Language

In preparing the audit report for each grant, the auditor must comply with the financial audit report template provided in Annex 3 of the auditing guidelines. The auditor will issue:

- an opinion on the consolidated financial statements in accordance with ISA or ISSAI.
- an opinion on the implementer's compliance with the grant agreement in accordance with ISA or ISSAI.

The audit report should be presented in one of the official Global Fund languages as indicated in the terms of reference. Annex 3 to these terms of reference presents the comprehensive auditor's report template that will be used by the auditor.

10. Management Letter.

In addition to the audit report, the auditor will prepare a Management Letter for each grant in the Portfolio, consolidating Principal Recipient and sub-recipient findings. The Management Letter must not only provide a response to the review of the internal control but also to the financial risk profile of the grant (Principal Recipient and key selected sub-recipients).

10.1 Internal Control Framework¹⁶

The Management Letter must highlight the weaknesses in the internal control framework of the grant noted with respect to the processes mentioned in paragraph 7.11 of these terms of reference. For each weakness, the auditor is requested to provide a recommendation. For Core and High Impact countries having an interim audit, a Management Letter shall be issued on the internal control framework. The auditor must also present a summary of the control procedures of the Principal Recipient in the Management Letter.

The auditor must comment on instances of non-compliance in the accounting records, procedures, systems and controls that were identified during the course of the audit with particular reference to ineligible expenditures and systematic weaknesses.

¹⁶ All deficiencies relating to program management, stock management, financial management, etc. not described in the other 4 sections of the Management Letter

The auditor must communicate matters that have come to their attention during the audit which might have a significant impact on the implementation and sustainability of the grant program in the Management Letter which shall include the following five sections at a minimum:

Internal control: this section should capture all other key internal control issues noted by the auditor in performing the review described in the scope of work particularly in the following sub-categories (a) Financial Management, (b) Sub-recipient management (c) Program management (d) Stock management;

Compliance with grant agreement and applicable law: this section should highlight any instances of non-compliance with the relevant grant agreement that were noted by the auditor in the course of their work in forming an opinion on the SPGFS or confirm that none has been identified in the sample tested. This implies that the auditor should ensure that the expenditure corresponds to the activity approved in the detailed budget for the relevant period under review as well as corresponds to any subsequent budgetary adjustments including the required necessary approvals for such budget reallocations;

Value for Money: this section should capture the auditor's view on the Principal Recipient and sub-recipient's considerations regarding economy and efficiency as part of the auditor's review of grant expenditures. The Global Fund country team can make a request for this additional service to be delivered by the auditor. All issues noted around value for money (control deficiency, estimated loss incurred as a result of inefficient process and others) should be stated in this section of the Management Letter;

Ineligible and unsupported expenditures: this section should provide a schedule of non-compliant expenditures identified by the auditors in the course of their work;

Follow-up on previous audit report: in this section, the auditor will report on the implementation status of recommendations contained in previous audit reports.

10.2 Risk Management

Specific to the Financial management section in the Management Letter, the auditor is expected, to categorize each finding, where applicable, into one of the six sub-categories of the Global Fund defined financial risks and to provide a summary table showing the findings per sub-risk category and grading. The six categories are:

- Inadequate Flow of Funds Arrangements;
- Inadequate Internal Controls;
- Financial Fraud, Corruption and theft;
- Inadequate Accounting and Financial Reporting;
- Limited Value for Money; and
- Inadequate Auditing Arrangements.

The definitions of each of these categories are provided in [the Global Fund Financial Risk Management guidelines](#)¹⁷. The auditor is expected, to categorize each finding, where applicable, into one of these six sub-categories and to provide a summary table showing the findings per sub-risk category and grading.

¹⁷ Refer to section 2.1 of the guideline

10.3 Other important disclosures

Based on the findings of the internal control framework review and the grade of these weaknesses, the Management Letter **must** include a high-level executive summary with the following statistics and information:

- The financial risk rating per risk category
- The quality of the financial statements provided by the Principal Recipient prior to the auditor's proposed adjustments
- Statistics on the number of findings per grade and their evolution over time
- Summary of key control procedures of the recipients, such as policies on procurement, travel, expenditure allocation etc.
- The auditor's judgement of what are the key audit risks and the methodology used to address these key risks.
- The number of recommendations from previous audit solved and those not solved
- Any other important information management should focus their attention on.

The Management Letter must include responses made by the Principal Recipient in discussing audit recommendations, along with a timeline for implementing agreed recommendations. In cases where either the Principal Recipient does not accept an audit finding or the auditor disagrees with the adequacy of the management response, the management letter will acknowledge that disagreement. All observations and recommendations will be discussed with Principal Recipient management before the letter is finalized.

- It must be clearly noted on the face of the Management Letter that it is a confidential document and must be treated as such.
- The Management Letter should state that the auditor acknowledges and agrees that the Management Letter shall be shared with Global Fund and the Local Fund Agent (on a confidential basis).
- The Management Letter should use a system of grading points depending on the level of severity in line with that proposed in the [*Guidelines for Annual Audit of Global Fund Grant Program Financial Statements*](#).

10.4 Reports' review process

10.4.1 Draft report

The Principal Recipient would provide comments on the auditor's draft report within 10 calendar days from receipt of the draft report. The relevant Global Fund's Country Team may also request to review the draft report. Following the review of the draft report, should the Global Fund request the auditor to carry out additional work, a new reporting deadline could be agreed.

The auditor should submit an updated draft report which takes into account the comments to the Principal Recipient (and eventually the Global Fund) within five calendar days from receipt of the comments. The Principal Recipient would provide feedback to the auditor on the updated draft report within five calendar days.

If the Principal Recipient's comments are not received within this deadline, the auditor reminds the Principal Recipient until a written reply from the Principal Recipient is received. In case of excessive delays from the Principal Recipient (more than ten calendar days), the auditor should contact the Global Fund to find out an appropriate solution.

10.4.2 Final report

Once the Auditor receives the final comments from the Principal Recipients, the final report is expected to be issued within the next five calendar days. The audit report and accompanying Management Letter, including the Principal Recipient's responses, **must** be received by the Global Fund within six (6) months after the end of the reporting period under audit. Successful reception of the audit report and Management Letter implies that all reiterations between the Principal Recipient and the auditors including review by the Global Fund or any of its agents **must** be completed and finalized before the six-month submission deadline.

The auditor should submit three original hard copies to the Principal Recipient and one electronic copy of the final report to the Principal Recipient and to the Global Fund¹⁸.

In any case, the Principal Recipient should ensure the auditor sends directly to the Global Fund an electronic copy of the reports¹⁹

11 Auditor performance assessment, rotation and termination

The audit must refer to the relevant sections of the Global Fund Guidelines on Grant audit regarding how their performance will be assessed and the implications thereof on the contract.

12 General Information

The audit report and accompanying Management Letter, including the Principal Recipient's responses, should be received by the Global Fund within six (6) months after the end of the reporting period under audit.

- The selected audit firm will also be granted timely, full and unrestricted access to Principal Recipient's (and Sub-recipients') financial management system, accounting record, asset, property and personnel that may assist in clarifying any matter related to the audit.
- To assist the selected audit firm in planning the audit, the Principal Recipient will make available as a minimum the documents and information stated below. It is highly recommended as part of auditing requirements on understanding the nature of the entity's operations, that the auditors familiarize themselves with the following:
 - i. The Global Fund's *Guidelines for the annual audits of Global Fund Grant Program Financial Statements: [Guidelines and Tools - The Global Fund to Fight AIDS, Tuberculosis and Malaria](#)*;
 - ii. Grant agreements between the Principal Recipient and the Global Fund and sub-grant agreements concluded with sub-recipients. Any correspondence from the Global Fund approving a reprogrammed budget affecting the audited year;
 - iii. Progress Updates (PU/DRs) and Management Letters. Confirmation of amounts disbursed and outstanding at the Global Fund should also be obtained;
 - iv. Annual Financial Reports (AFR);
 - v. Guidelines for Budgeting on Global Fund programs: [The Global Fund Guidelines for Grant Budgeting](#);
Principal Recipient's approved Finance, Procurement, Sub-recipients' Management and other relevant Manuals;

¹⁸ When the Audi firm is directly selected by the PR and therefore has a direct contractual relationship with the PR, it is expected that this contract includes a clause requiring to the Auditor to send directly an electronic copy of the final audit report to the Global Fund. ¹⁹ This is the responsibility of the auditor and should be mentioned in the contract between the PR and the Auditor.

- vi. *It is also recommended to obtain an understanding of the Proposal/Concept Note under which the grant is being implemented. Proposals are available at the following link [Grant Portfolio - The Global Fund to Fight AIDS, Tuberculosis and Malaria](#) and then navigate to the respective country page.*

The auditor should contact the LFA prior to preparing the audit plan enabling the LFA to highlight any key weaknesses and areas of concern up front. During the course of the audit, the auditor is encouraged to contact the LFA as and when needed to obtain any additional information/clarifications.

13. Qualification/Requirements for the Audit Firm.

Minimum requirements

The following are the minimum requirements for an auditor of a GF grant. The auditor must:

- i. Be included on an accredited list of auditors of a recognized donors with operations in the country. In the case of SAIs the auditor should be accredited as meeting required standards by any relevant authority which is qualified to assess work standards. Examples of such recognized Donors may include: World Bank, EBRD, OIG/RIG (USAID), European Commission (Court of Auditors)
- ii. Be an independent firm, free from conflicts of interest with the auditee;
- iii. Be professionally competent and have experience in planning and conducting audits of this nature;
- iv. Be eligible to practice as an external auditor and express audit opinions pursuant to the laws, rules and other requirements of the country where the grant is implemented;
- v. The auditor should be aware of the GF's Code of Conduct for Suppliers and ensure compliance with its provisions.
- vi. Proven experience in conducting financial audits for programs/projects in the health Sector.

14. Audit Period and Report submission Timelines

The auditor for the Global Fund supported programs will be expected to conduct yearly financial audits for the programs until the end of the grant. It is the requirement of The Global Fund that the Final Audit Report is submitted to the Global Fund on or before 30th June of every year. The auditor is therefore expected to plan the audit in such a manner that this submission deadline is met.

15. Expression of Interest

All interested consultants/firms are requested to submit an expression of interest by;

- Explaining their competencies to meet the requirements of the assignment
- Explaining in detail the methodology to be used in carrying out the assignment
- Provide work schedule/plan and a detailed cost proposal in United States Dollars (USD)
- Brief technical bio data/summary profile of core team members
- Providing evidence of similar work undertaken recently (Not more than 3 years old)

16. The Evaluation Criteria and award.

Amref Health Africa in Kenya will evaluate the proposals and award the assignment based on technical and financial feasibility. Amref Health Africa in Kenya reserves the right to accept or reject any proposal received without giving reasons and is not bound to accept the lowest or the highest bidder.

17. General Guidelines for Management Letter (M/L)

The following is a general guide on the essential elements of the M/L and should not be viewed as an exhaustive list of requirements. Guidance should be sought from the IAASB's:

- i. standard on communicating management letter issues to those charged with governance of an entity: http://web.ifac.org/download/ISA_260_standalone_2009_Handbook.pdf
- ii. also that on reporting internal control deficiencies: http://web.ifac.org/download/ISA_265_standalone_2009_Handbook.pdf.

In the case of public-sector or government auditors (i.e. the Supreme Audit Institution) guidance can be obtained from INTOSAI Standards (see Chapter 4's **Reporting Standards in Government Auditing** of INTOSAI's Code of Ethics & Auditing Standards: <http://intosai.connexcc-hosting.net/blueline/upload/1codethaudstande.pdf>).

A typical M/L format follows:

STRICTLY PRIVATE AND CONFIDENTIAL

[It must clearly be noted on the face of the Management Letter that it is a confidential document and must be treated as such, in accordance with Global Fund Policy]

[The Management Letter should state that the auditor acknowledges and agrees that the Management Letter shall be shared with the Global Fund on a confidential basis. The audience of the letter, however, is the PR/SR]

(Name of PR) - MANAGEMENT LETTER FOR THE AUDIT OF FINANCIAL STATEMENTS FOR THE YEAR ENDED (Insert year end date)

[Background information is provided on the applicable auditing framework that was employed in auditing the Financial Statements, for which there is this management letter]

[The purpose of the financial statement audit should be stated here which is the expression of an opinion on the Financial Statements. Also, a brief description of the methodology used in carrying

out the audit as regards the use of testing as the basis for examining evidence supporting the amounts and disclosures contained in the Financial Statements, inter-alia.]

[An explanation of the purpose of the management letter should be provided in terms of the value-added in its provision to management for the improvement of systems and processes for the organization, thereby aiding the achievement of broader organizational goals.]

[A description of system of grading of the management letter issues or findings should be provided in order that the Principal Recipient is able to better prioritize implementation of recommendations emanating from findings. The following system of grading is recommended:

Grade 1 findings are those which are particularly critical and the involvement of management may be required for their resolution. These are high-level issues which impact seriously on the achievement of overall grant goals

Grade II findings are those that may have significant impact on the control environment. Here control environment looks at risk factors derived from **management's attitude to risk** regarding operational activities within the Principal Recipient/Sub-recipient organization.

Grade III findings are those which are less significant than Grade 1 and II but nevertheless merit attention.

For each finding:

1.1 [Brief heading for finding and Grade 1, 2 or 3 as is applicable]

[Where there is a criteria (or criterion as the case may be) which is the object of non-compliance by the PR/Sub-recipient, then this must be stated or quoted where applicable. A criterion is defined as any law, policy, regulation or framework that an audited entity has to comply with in carrying out its activities. A deviation or complete non-compliance of it would trigger a finding. In some instances, criteria would not be present hence it would not be necessary to state it here.]

1.2 FINDING

[The condition or issue presently obtaining which could have been as a result of non-compliance of a criteria is stated here fully. This must be consistent with the grading level indicated above. Where possible, the reason(s)/rationale for the non-compliance to the criteria or factors responsible for the finding issue should be stated in a separate paragraph or section under FINDING.]

1.3 IMPLICATION

[The effect of the finding both from a financial and non-financial perspective should be clearly stated here as this will provide better insights to the Principal Recipient /Sub-recipient entity in formulating a robust management response and action plan for implementation of recommendations.]

1.4 RECOMMENDATION

[Practical recommendations relevant to the findings stated in 1.1 above should be put in this category. Recommendations should be capable of eliminating or reducing the effects identified in 1.2 above (to an acceptable level) such that there will be no negative material impact on grant implementation upon its initiation by Principal Recipient /Sub-recipient management.]

1.4 BENEFITS

[The advantages of implementing the recommendations stated in 1.3 above should be highlighted here from a financial and non-financial perspective. The use of financial data in terms of for example, cost savings, should be stated here.]

1.5 MANAGEMENT'S RESPONSE

[PRs/SRs are required to state the extent to which they agree or disagree with the finding indicated above. This should extend further to whether they agree or disagree with all the other elements to the management letter (i.e. 1.2 to 1.4). These should include reasons for the agreement or disagreement.

As part of the management response the PR should develop an action plan to address any pertinent recommendations emanating from the PR and SR Audits.

Finally, all M/Ls must contain a "**Matters arising from previous audits**" section in tabular form that will serve as a tracking tool in determining the status of implementation of recommendations.]. See below:

MATTERS ARISING FROM PREVIOUS AUDITS

Audit period covered	Issue (i.e. the finding identified)	Recommendations	Status of Implementation	Comments
The period covering the audit is stated here: it should follow chronologically from one year to the next	The findings of previous audits are entered here. The findings should be quoted verbatim or reproduced from the relevant management letter	The recommendations related to the findings from the previous column are entered here quoting verbatim from the relevant management letter	<p>The state of implementation is entered here via the following key:</p> <p>Y (Yes) – showing full implementation of recommendations,</p> <p>N (No) - showing that the recommendation remains to be implemented and as such no steps have been taken to commence implementation,</p> <p>P (Partial) – showing that implementation has commenced but is yet to be completed</p>	For N and P categories, an indication of the audit period from when the finding & recommendation was first identified should be stated, inter-alia

Schedule of non-compliant expenditures

Description	Unsupported expenditures	Expenditures incurred outside of the scope or period of the grant	Expenditures compromised by prohibited practices	Expenditures relating to other types of non-compliance or mismanagement of grant funds (or goods or services purchased with grant funds)
Human Resources				
Travel Related Costs				
Procurement Related				
Other				

Internal Control Findings

#	Functional areas	Inadequate Flow of Funds Arrangements			Inadequate Internal Controls			Financial Fraud, Corruption and theft			Inadequate Accounting and Financial Reporting			Limited Value for Money			Inadequate Auditing Arrangements		
		I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III
	Grading																		
1	Financial management																		
2	Sub-recipient management																		
3	Program management																		
4	Stock management																		
5	Procurement management																		
6	Compliance with grant agreement and applicable law																		
7	Follow-up on previous audit report																		

DECLARATION

I/We have completed this form (s) accurately at the time of reply and it is agreed that all responses can be substantiated, if requested to do so, any inaccuracy in the information filled herein will lead to disqualification of the tenderer.

For and behalf of:

Name:

Date: Signature