



Palestine Polytechnic University – PPU

ENI Project: MEDiterranean QUadruple helix Approach to Digitalisation – MED-QUAD

Grant Agreement reference number: B-A.2.1-0088

Announcement: MED-QUAD External Financial Auditor Services

MED-QUAD project partner “Palestine Polytechnic University” is looking for an external financial auditor for the tasks of expenditure verification for the project implementation.

MED-QUAD is a cross-border project that aims to create the conditions - through the establishment of Mediterranean Cross-border two Living Labs: Smart Water Use Applications and Applied Research for Cultural Heritage Exploitation - for an effective interaction between the main innovation players of the Quadruple Helix: Academia, Industry, Civil Society and Governments in the digital economy. The project covers Greece, Italy, Egypt, Jordan, Tunis and Palestine through a partnership of seven complementary organizations.

- ***Interested applicants are invited to submit their bids by July 28, 2021.***
- ***For further information please contact the following e-mail address: amjadasfour@ppu.edu***



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Consulting Services: Financial Audit for MED-QUAD Project

Introduction

Innovation and technology are recognized as a major driver for competitiveness and for long-run endogenous economic growth. However, most of Mediterranean regions are characterized by a high prevalence of micro enterprises, with difficulties to acquire the necessary skills to innovate and grow. MED-QUAD project will address this challenge through the cooperation among universities in the six partner countries. The project aims to foster the innovation potential of the regions, by building up a cross-border cooperation scheme based on the Quadruple Innovation Helix framework. The main actors are the universities which will improve their capacity to be and act as “Civic Universities” in cooperation with the cities to which they belong as “anchor” institutions together with the socio-economic stakeholders and the citizens. Two cross-border Living Labs will be established in the cities, where several pilot activities for technological transfer and commercialization of research results will be implemented. They will exploit ICT technologies and Key Enabling Technologies for water use optimization, consumption and reduction (Smart Water Use Applications - SWUAP), as well as cultural heritage promotion and preservation (Applied Research for Cultural Heritage Exploitation - ARCHEO). The project will set up a toolkit for enhancing the institutional capacities of businesses, cities and universities of both shores of the Mediterranean to work together and reinforce their role as “catalysts” for fair and inclusive development.

Beneficiary Partners

Lead Beneficiary: EPIMORFOTIKI KILKIS Single Member Limited Liability Company, Greece

Partner 1: INTERNATIONAL HELLENIC UNIVERSITY, Greece

Partner 2: University of L'Aquila, Italy

Partner 3: Arab Academy for Science & Technology, Egypt

Partner 4: Al-Balqa Applied University, Jordan

Partner 5: Palestine Polytechnic University, Palestine

Partner 6: University of Sousse, Tunisia

Terms of Reference – ToR

The following are the terms of reference (ToR) on which “Palestine Polytechnic University”, 'the Beneficiary' agrees to hire the 'Auditor' to carry out a verification of expenses and report in relation to the financing received for the implementation of the project in Palestine under the grant contract



reference number: B-A.2.1-0088, financed by European Union (ENI CBC MED Program 2014-2020) through the European Neighbourhood and Partnership Instrument ([MED-QUAD | ENI CBC Med](#)).

The auditor will be responsible for controlling the expenses incurred in the framework of the project MEDiterranean QUadruple helix Approach to Digitalization MED-QUAD by the beneficiary organization “Palestine Polytechnic University” in reference to its share budget of 521.597,18 EURO as part of the total eligible budget of 3.297.835,23 EURO, and in accordance with the requirements of the National Financial Regulation for income and expenses verification procedure and according to the indications of the financial management of the ENI CBC MED program 2014-2020, which are given by the following annexes:

- 4.4 Annex 1_Expenditure verification procedure
- 4.4 Annex 2_Check-list_auditor_updated
- 4.4 Annex 3a_Individual report
- 4.4 Annex 3b_Consolidated report
- 4.4 Annex 4 List of findings
- 4.4 Annex 5_suspected fraud
- 4.4 Template contract auditor

The content of the verification work will cover the following aspects:

- The compliance of the goods and services delivered with the approved project.
- The compliance of the expenses and income declared in respect of operations or parts of operations carried out.
- The compliance of expenditure and operations, or parts of related operations, with national regulations.
- The fulfillment of the project with the application form and amendments.
- Compliance with the obligations established in the concession contract.

The verification procedures will be of two types:

- Administrative verifications of all requests for reimbursement in the financial and administrative fields and review of 100% of the supporting documents for expenses. It will be checked:
 - If the expense corresponds to the eligibility period and if it has been paid;
 - Confirmation of the eligibility of expenses;
 - If the expense corresponds to an approved operation;
 - If the program conditions are met, including, if applicable, the approved funding rate;
 - Whether national and European Union rules on eligibility are met;
 - If the accounting standards are adhered to and income and expenses are accurately recorded to avoid double funding;
 - Whether the supporting documents are sufficient and there is an adequate audit trail;
 - Whether the rules on state aid, sustainable development, equal opportunities and non-discrimination are complied with;



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- If national and European Union rules on public procurement are complied with;
 - Whether national and European Union rules on advertising are respected;
 - The physical progress of the operation measured according to the common and program-specific productivity indicators and, if applicable, the performance indicators;
 - The delivery of the good or the provision of the service in full compliance with the conditions of the individual aid agreement.
 - Verify possible cases of duplication of the financing of the same expense through several grants or funds.
- Administrative checks have to be complemented by on-the-spot checks, in which the technical and physical fields will be checked. At least once in the development and execution of the operation, an on-site visit will be made, coinciding with some relevant milestone. It is recommended that the on-site visit be carried out during the final project report. Through these verifications, at least the following aspects will be verified:
 - That the delivery of goods and the provision of services are carried out or are being carried out in accordance with the Agreement for the approval of the project and the terms of the program;
 - That national and community regulations on advertising and the environment have been respected;

The conditions of the expenses verification work:

- Use the standardized information and control models of the Program to communicate expenses, to document controls and to confirm eligible expenses.
- Complete the communication of the verification with the Expense Verification Report, according to the model adopted by the National Authority.
- Ensure that the control work will be carried out within the term established in the Program.
- Be willing to attend the control seminars organized by the Program.

Reporting:

The conditions established for the preparation of reports are:

- Submitting the first progress report within one month from the contract that cover the first year of the project eligible period of 30 months starting from 08-09-2020;
- Submitting each six month progress report for the project activities up to the end of the project eligible period including any approved amendment or extension by the funding agency;
- Submitting a final report that cover all the project period including any approved amendment or extension by the funding agency;
- The language in which the reports are to be delivered is English;
- The auditor will deliver the audit report of expenses and income (EVR) to the beneficiary partner of the project, with its Annexes, in accordance with the models and the procedure established



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and approved by the Management Authority. The Expense Verification Report (EVR) must be attached to each payment request after the initial pre-financing.

- The expense verification report (EVR) must be uploaded to the management platform "Monitoring and Information System" (MIS) and made available to the Management Authority (MA) and the Joint Technical Secretariat (JTS);
- The financial reports and the audit of expenses and income will be reviewed by the management body and the Joint Technical Secretariat (JTS) after their presentation by the main beneficiary. The control contact points may assist the body and the Managing Authority and the JTS for the review of said reports;
- In the event that the MA or STC raise doubts about the conclusions set out in the expenses and income audit report, a request for clarification will be sent to the auditor through the main beneficiary or partner of the project, to the that the auditor must respond within a maximum period of seven working days.

Required Profile

The purpose of the reporting is to provide the funding agency with a reasonable assurance that the costs as well as the receipts have been declared in the Financial Reports in accordance with the relevant legal and financial provisions of the Grant Agreement. Therefore, the auditor shall ensure that the work has been undertaken:

- in accordance with the International Standard on Related Services ('ISRS') 4400 Engagements to perform Agreed-upon Procedures regarding Financial Information as promulgated by the International Auditing and Assurance Standards Board (IAASB) of IFAC;
- in compliance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) of IFAC. Although ISRS 4400 provides that independence is not a requirement for agreed-upon procedures engagements, the Agency requires that the auditor also complies with the independence requirements of the Code of Ethics for Professional Accountants.

Eligible Auditors:

Auditors eligible to deliver the Report of Factual Findings on the Final Financial Report – Type II, could be any qualified external auditor, including its statutory external auditor, provided that the following cumulative requirements are met:

- the external auditor must be independent/company from the beneficiary;
- the external auditor must be qualified to carry out statutory audits of accounting documents in accordance with national legislation implementing the Directive on statutory audits of annual accounts and consolidated accounts or any European Union legislation replacing this Directive.
- the auditor:
 - was not involved in the preparation of the Final Financial Report;
 - should not stand to benefit directly should the Report of Factual Findings be accepted;



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- has not a close relationship with any person representing the beneficiary;
 - is not a director, trustee or partner of the beneficiary;
 - is not in any other situation that compromises his/her independence or ability to establish the Report impartially.
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