



BUDGET AND FINANCIAL AFFAIRS SERVICE

**Open call for tender to provide external audit services for the
European University Institute**

Ref: ***OP/EUI/BFA/2021/001***

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YEAR 2021

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CHAPTER I - GENERAL CONDITIONS

Article 1. Presentation of the European University Institute (EUI)

The European University Institute (EUI) is a postgraduate and post-doctoral research institute in the field of social sciences, established by a Convention dated 19 April 1972, ratified by the Member States of the European Union, with the aim of providing advanced academic training for doctoral researchers and of promoting research at the highest levels. The Convention setting up the EUI includes the “Protocol on the Privileges and Immunities of the EUI”.

The EUI's headquarters are at the Badia Fiesolana, Via dei Roccettini 9, in San Domenico di Fiesole (near Florence, Italy).

For more information, please see the EUI's official website at www.eui.eu.

Article 2. Definitions

“Tenderer” refers to the economic operator that submits a tender.

“OGA” means Operating Grant agreement.

“TS” refers to Annex I - Tender Specifications.

“Contractor” refers to the successful tenderer awarded with the contract.

“Contracting Authority”, “EUI” and “Institute” mean the European University Institute, which entrusts the services that are the object of these TS to the Contractor.

“BFA” refers to the Budget and Financial Affairs Service of the EUI.

Article 3. Objectives of tender

The purpose of this Call for Tender is to award a single framework contract (FWC) to an economic operator with extensive and proven experience, able to provide the EUI with the following services:

Service A:

A1 - Performing a financial audit to issue an audit opinion on the reliability of the EUI’s annual accounts and the regularity of the transactions underlying them, a compliance audit to issue and audit opinion on the legality and regularity of the *EUI-Core activities* budget execution (assessing the sound financial management is included), according the EUI Financial Rules and to the International Standards of Auditing (ISA);

A2 - Performing a financial audit to issue an audit opinion on the *EUI-Pension Reserve Fund*, according the EUI Financial Rules and to the International Standards of Auditing (ISA).

A3 – Performing a financial audit to issue an audit opinion on the *EUI-Consolidated* (A1 + A2)

Service B:

Assessing that the expenditure claimed by the EUI in the Final Activity Report and correspondent statements in the Annual Accounts has occurred, is accurate and eligible and in compliance with the yearly grant agreement of the European Commission (“Operating Grant Agreement”, OGA).

Service C (optional):

C1 - The EUI may request, if needed, to the Contractor to provide certificate(s) with regard to externally funded projects managed by the Institute. In this case, all the details concerning the performance of this service shall be negotiated case by case.

C2 - Any other services may be requested to the Contractor, if prior required by the High Council.

The Contractor shall document the technical capacity to perform services included in points C1 and C2 in the technical offer. These aspects will be part of the technical evaluation.

The Contractor is not required to submit an economic offer and will not receive an economic evaluation for the services included in points C1 and C2. These services are optional and the relevant economic evaluation will be performed only in case of need and in compliance with the rules of the donor involved.

Please be aware that the EUI reserves the right to check the market before assigning Service C1 and/or Service C2 to the Contractor.

The purpose of these TS is to provide instructions and guidance to potential tenderers about the nature of the tender they shall submit and to explain clearly the services that the Contractor will have to provide during contract implementation, including the minimum requirements with which they will need to comply.

Article 4. Contract information

General information	<p>The contract will be complemented by Annex I – Tender Specifications, the Letter of Invitation and other annexes presented in the tender by the Contractor, including all the tender documents.</p> <p>All the conditions set up in the call for tender, including those of the draft contract, are binding for the Contractor.</p>					
Duration	4 years					
Calendar	<p>The estimated value of the contract for the whole duration of 4 years is EUR 320.000,00 (annual estimated value EUR 80.000,00).</p> <p>The amount offered in the tender should also include a lump sum covering the costs for the audit team’s missions to Florence, taking into account the following calendar*:</p> <table border="1" data-bbox="440 1641 1385 1933"> <tr> <td data-bbox="440 1641 914 1839">by 1 July of calendar* year n</td> <td data-bbox="914 1641 1385 1839">Presentation of the preliminary audit report on the EUI provisional accounts** for the financial year¹ n-1</td> </tr> <tr> <td data-bbox="440 1839 914 1933">by 31 August of calendar year n</td> <td data-bbox="914 1839 1385 1933">Presentation of the definitive audit report on the EUI final</td> </tr> </table>		by 1 July of calendar* year n	Presentation of the preliminary audit report on the EUI provisional accounts** for the financial year ¹ n-1	by 31 August of calendar year n	Presentation of the definitive audit report on the EUI final
by 1 July of calendar* year n	Presentation of the preliminary audit report on the EUI provisional accounts** for the financial year ¹ n-1					
by 31 August of calendar year n	Presentation of the definitive audit report on the EUI final					

¹ Financial year is the same as Calendar year.

		accounts** for the financial year n-1
	indicatively last week of October of calendar year n	On-site presentation of the audit report on the financial year n-1 to the Budget Committee at its fall meeting (including questions from and answers to the BC delegates)
	two weeks (exact period to be agreed) during calendar year n	On-site examination*** on the financial year n-1
	indicatively first week of December	If requested to the EUI by the governing bodies, on-site presentation of the audit report on the financial year n-1 to the High Council at its fall meeting (including questions from and answers to the HC delegates)

* Service A and service B can be performed at the same time. The timetable for service B can be slightly adjusted if requested by the European Commission.

** Consisting of three accounts: the EUI-Core activities, the EUI-Pension Reserve Fund, and the EUI-Consolidated accounts.

*** Upon an agreement with the EUI management, can be performed remotely.

Any expenses and/or costs not stated in the tender will not be subsequently recognised.

The value of the contract shall be fixed and not subject to revision during the duration of the first year of the contract. At the beginning of the second and every following year of the Contract, the amount may be revised upwards or downwards if such revision is requested by one of the parties in writing no later than 3 (three) months before the anniversary of the date on which the Contract was signed.

Price revision is determined by the trend in the Italian Harmonised Index of Consumer Prices ('HICP') published for the first time in Eurostat's monthly 'Data in Focus' publication available on the website: <http://www.ec.europa.eu/eurostat/>. The most recent Harmonised Index of Consumer Prices ('HICP') published before the request shall be used for the re-evaluation.

The price revision is calculated using the following formula:

	$Pr = Po \times (Ir/Io)$ <p>where: Pr = revised price;</p> <p>Po = price in the tender;</p> <p>Io = index for the month in which the contract enters into force;</p> <p>Ir = index for the month in which the request to revise prices is received.</p>
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CHAPTER II – DESCRIPTION OF THE SERVICES

Article 5. Services description

Main Scope

Article 5.A External Audit to the EUI Annual Accounts

The external audit has a component of financial audit, compliance audit and sound financial management. It focuses on financial statements (reliability) and budgetary statements (legality and regularity of revenues and expenditures) and it shall be conducted according to the International Standards of Auditing (ISA).

The external auditors ensure that all revenue has been received, all expenditure incurred in lawful and regular manner and respecting principles of sound financial management, regarding the budget implementation. They are responsible for carrying out the audits according to the terms defined in the EUI Financial Rules and its amendments.

The annual accounts of the EUI are prepared and presented according to the accounting and financial reporting framework of the European Commission, based on the International Public Sector Accounting Standards (IPSAS).

The annual accounts of the EUI from 2021 onwards are: EUI-Core activities, EUI-Pension Reserve Fund and EUI-Consolidated.

- The EUI-Core activities report on the implementation of the annual budget and are prepared in accordance with an accrual accounting and financial reporting framework.
- The EUI-Pension Reserve Fund report on the financial and economic position of the Pension Reserve Fund as well on the management of the Fund and are prepared in accordance with an accrual accounting and financial reporting framework.
- The EUI-Consolidated report on the consolidated financial and economic position of the EUI as a single entity, according to rules and methods of consolidation to be established by the Accounting Officer.

The calendar of presentation of the annual accounts and the audit report is defined in the High Council Decision n. 9/2021 of 23 June 2021 amending the Financial Rules available on EUI webpage.

The last two audited annual accounts (2018 and 2019) shall be made available to the Contractor.

Article 5.B Operating Grant Agreement

The EUI is required to submit to the European Commission a yearly report on Factual Findings produced by an external independent and qualified auditor in order to demonstrate that the funds provided by the grant were spent in accordance with the terms and conditions as required by the European Commission's Operating Grant Agreement (yearly published).

The purposes of this expenditure verification are:

- to assess the feasibility of an effective and efficient expenditure verification of the Final Activity Report and the correspondent statements in the Annual Accounts;
- to report any weakness and exceptions with regards to accounting, record keeping and general financial documentation to EUI in order to enable it to follow-up measures for correction and improvements for the remaining implementation period of the activities;
- to reconcile the information in the Final Activity Report and the correspondent statements in the Annual Accounts with the EUI's accounting system and records;
- to verify that the EUI, for the operations in currency different than Euro, has applied the correct exchange rate, calculated as explained in the General Conditions of the Operating Grant agreement.

These actions will not constitute a budget review but shall be focused on the verification of compliance with the Operating Grant Agreement.

The Contractor must verify that the expenditure claimed by the EUI for the activities foreseen by the work programme, registered in the Final Activity Report and the correspondent statements in the Annual Accounts and financed by the Operating Grant Agreement:

- has occurred within the implementation period (reality)
- is accurate (exact)
- is eligible:
 - incurred within the implementation period set out in the related Special Conditions of the Operating Grant Agreement and in connection with the indicated actions for the implementation of the OGA;
 - identifiable and verifiable;
 - reasonable and justified, and in compliance with the principle of sound financial management, in particular economy and efficiency;
 - indicated in the estimated budget;
 - in compliance with the applicable tax and social legislation).

Necessary documents to perform this expenditure verification:

- Commitments and payments
- EUI's Final Activity Report;
- EUI's Annual Accounts;
- Grant Agreement with its annexes.

Minimum service requirement

The minimum service requirements constitute the basic needs of the EUI for measuring the quality of services provided. The Contractor undertakes to provide services at or above the minimum required and accepted by the Institute.

Throughout the execution of the service, the Contractor **MUST** ensure full compliance with all the disposals of yearly EAC-EUI contract (see below).

In 2021, the budget to be audited (eligible expenditures) amounted to €48,600,000.00.

Based on of last experience, the EUI executes that budget with 11,000 operations approximately.

In the case of repeated non-compliance with the minimum service requirements, the Institute reserves the right to invoke the termination clause of the contract.

The Contractor should plan the work in order to perform effective expenditure verification, checking the total compliance with all the conditions of the yearly contract signed by the EUI and the European Commission (OGA).

The audit shall be conducted in compliance with the Guidance Notes (see annex II.E).

Please be informed that these guidance notes may be subject to revisions by the European Commission.

The Contractor must ensure that the total amount of expenditure verified, expressed as percentage of the total amount of expenditure reported and declared by the Institute in the Final Activity Report and in the correspondent statements (eligible expenditure) in the Annual Accounts, is at least 70% (seventy per cent). This coverage ratio has to be incremented up to 85% (eighty-five per cent) if the Contractor identifies findings higher than 10% (ten per cent).

The fee to be paid to the Contractor for this action will not be affected by a higher number of findings.

Even if this action is not a standard budget review, in order to ensure accuracy and efficiency, the Contractor shall undertake this engagement 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;
- “Code of Ethics for Professional Accountants” issued by the International Ethics Standards Board for Accountants (IESBA) of IFAC.

The verification must be carried out in accordance with the calendar included in article 4 of these TS.

The Contractor will be not entitled to ask for any payments and/or reimbursements exceeding the lump sum for costs included in the tender and related to on-site presences of the audit team.

Please be aware that the specific conditions of this service refer to the annual contract that the EUI signs each year with the European Commission. Therefore, all the activities and the conditions described in the present TS may be subject to changes if required in the above-mentioned contract. All these changes will be included in the specific annual agreements.

Report on Factual Findings for an Expenditure Verification of an EU financed Operating Grant Agreement

The Contractor shall produce an independent report on Factual Findings with the purpose of providing the European Commission with a reasonable assurance that the costs as well as the receipts have been declared in the Final Financial Report in accordance with the relevant legal and financial provisions of the Operating Grant Agreement.

The report shall conform to the model given by Annex VI-Guidance notes of the Grant Agreement and shall:

- cover the Action (work programme) as a whole, regardless of which part of it is financed by the European Commission;
- present the purpose of the verification;
- give general information about the Operating Grant Agreement and the activities foreseen by the Action (work programme);
- describe the agreed-upon procedures in detail and the factual findings, in order to enable the EUI and the European Commission to understand the extension and nature of the verification performed by the Contractor.

The Contractor must comply with the following procedure:

1. Auditors present a preliminary report on factual findings to the EUI;
2. the EUI will submit to the Contractor its comments on the issues raised up in the draft report;

3. the Contractor establishes final report confirming or modifying the final list of findings;
4. the Final report on Factual Findings is sent to the EUI;
5. the EUI's administrators send the Final report of Factual Findings to the European Commission.

All the reports shall be drafted in English and delivered in paper and electronic format.

Reports cannot be finalised before the EUI's approval. The approval will only be given when the agreed quality of the report is assured based on the methodology indicated.

The audit activities shall be performed according to international audit standards and carried on with the most appropriate resources and tools.

Article 6. Contact person

At least fifteen (15) days before signing the contract, the successful tenderer must inform the EUI of the name of a contact person to whom the representatives of the EUI will send any requests, complaints and/or clarifications, regarding the contract execution, during the course of all activities.

Article 7. Audit team

The Contractor shall nominate two natural persons of different nationalities as auditors who shall carry out the audits. These persons must enjoy equal rights within the Contractor. The Contractor may nominate alternate auditors. These auditors can be supported by a team in carrying out the audit.

The Contractor must provide a team of experts having appropriate skills and qualifications in terms of numbers, experience, training, knowledge of language and expertise, in order to carry out the requested services in full compliance with the terms of these TS, the Invitation Letter and the attached documents.

The persons designated by the Contractor must have good professional skills, a positive attitude towards interpersonal relationships, the ability to understand and carry out the instruction for performing the tasks included in these TS. They are bound to confidentiality concerning any facts, circumstances and/or information concerning the activities carried out, problems encountered and possible resolutions. In case of leakage of information or direct communication with users, the EUI will immediately terminate the contract.

The Contractor must ensure the replacement of audit team member(s) in case of illness or unforeseen absences.

The Institute reserves the right to request immediate replacement of audit team member(s) for obvious unsuitability, any complaints and/or improper behaviour. The replacement must take place no later than 15 calendar days after the receipt of a formal request.

The Tenderer must include names and CVs of the Audit Leaders and of any additional member proposed in the tender.

Prior written authorisation by the EUI will be necessary for any replacement in the audit team. The Contractor shall submit the CVs for evaluation and the replacement will be in force only after the EUI's explicit approval. Only new members with the same or superior profile will be considered eligible.

The Contractor shall be solely responsible for all tasks assigned to and executed by the audit team.

Article 8. Improvements

In the tender, the Tenderer may propose improvements to the services requested in previous article 5, free of charge.

The Institute will assess any proposed improvements during the evaluation of the tender.

CHAPTER III – PRESENTATION AND EVALUATION OF TENDERS

Article 9. Exclusion criteria

Tenderers must not be in one of the exclusion situations listed below:

- a. 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;
- b. Have been convicted of an offence concerning their grave professional conduct by a final judgment of a competent judicial authority or administrative decision or decisions of international organisations;
- c. Are not in compliance with the 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 Italy being the country of establishment of the Institute or those of the country where the contract is to be performed. This breach needs to have been established by a judgement or administrative decision having final and binding effect in accordance with the legal provisions of the country in which the economic operator is established or of those of Italy being the country of establishment of the Institute;
- d. Have been the subject of a final judgment for fraud, corruption, involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or other forms of trafficking in human beings or any other illegal activity, where such illegal activity is detrimental to the Institute's financial interests;
- e. Have been in serious breach of a contract financed by the Institute or have been the subject of an offense of serious irregularity established by a final judgment of a competent judicial authority or administrative decision;
- f. Are subject to an administrative penalty for being guilty of grave professional misconduct, or of having made substantial errors or committed irregularities or fraud, or have been declared to be in breach of their obligations under contracts covered by the Institute's budget (Article 41 of the EUI's Public Procurement Regulation (President's Decision No. 19/2018 of 16th May 2018)).

In addition to the above, contracts may not be awarded to tenderers who, during the procurement procedure:

- g. Are subject to a conflict of interest;
- h. Are guilty of misrepresentation in supplying the information required by the Institute as a condition of participation in the contract procedure or fail to supply this information.

Evidence requested:

Tenderers must certify that they are not in one of the exclusion situations by providing in the tender a signed and dated Declaration on Honour available in Annex II D. In case of a consortium submitting an offer, or in case of subcontracting, such declaration on honour should be included in the offer for each member of the consortium and for each identified subcontractor.

In addition, the Contractor shall provide, within 15 days following notification of award and preceding the signature of the Contract, the following documentary proofs to confirm the declaration referred to above:

- For points (a), (b), (d) and (e): a recent extract from the judicial record or, failing that, an equivalent document recently issued by a judicial or administrative authority in the country of origin or provenance showing that those requirements are satisfied;
- For the situation described in point (c) above, recent certificates or letters issued by the competent authorities of the State concerned are required. These documents must provide evidence covering all taxes and social security contributions for which the tenderer is liable, including for example, VAT, income tax (natural persons only), company tax (legal persons only) and social security contributions.

For any of the situations (a), (b), (d) or (e), where any document described in two paragraphs above is not issued in the country concerned, it may be replaced by a sworn or, failing that, a solemn statement made by the interested party before a judicial or administrative authority, a notary or a qualified professional body in his country of origin or provenance.

Where the document or certificate referred to the situation described in point (c) above, is not issued in the country concerned, it may be replaced by a sworn or, failing that, a solemn statement made by the interested party before a judicial or administrative authority, a notary or a qualified professional body.

EUI reserves the right to verify the information and to request further supporting evidence prior to the signature of the Contract.

Article 10. Selection criteria

General requirements:

The Tenderer must have the following technical capacity to perform the Contract.

1. To be a recognised legal entity and (if applicable) registered in the Chamber of Commerce Register of Companies (in case of the undertaking company having their head office abroad, subscription with one of the Professional or Trade Registries from the State of residence), with the object company being in accordance or otherwise consistent with the tender object; Anti-mafia self-declaration; whether the successful tenderer has its registered office in Italy, the Institute reserves the right to request the competent Prefecture to issue the related Anti-mafia certificate; an equivalent document will be requested in case the successful tenderer's registered office is located outside of Italy.
2. Compliance with provisions aimed at legalizing the position of undeclared employees (Individual legalization plans - Piani Individuali di Emersione).
3. Compliance with obligations relating to the payment of social security contributions for workers, according to the current legislation, and application of employment conditions envisaged in the sector's national collective labour agreement.
4. Compliance with the labour regulations applicable to people with disabilities.
5. To undertake, in the event it is awarded the tender, to provide any and all required documentation in order to prove that it is fully up-to-date in its payment of social security and insurance contributions (e.g., through a DURC certificate), in compliance with existing legislation.
6. Declaration confirming that it has taken note of all general, particular and local circumstances, barring none, and of all other elements which may directly or indirectly influence the performance of the service, or the calculation that has led to the offer submitted with its tender; and that this offer is profitable, and that the Tenderer undertakes to hold said offer valid and binding for one-hundred-and-eighty (180) days, starting from the deadline for submission of its tender.

7. Compliance with health and safety laws and regulations.
8. Compliance with environmental laws and regulations.

Technical and professional requirements:

9. To be enrolled in the register of auditing firms of the country in which the tenderer is established.
10. To meet at least one of the following four criteria:
 - a. To be a member of a national accounting or auditing body or institution which in turn is a member of the International Federation of Accountants (IFAC);
or
 - b. To be is a member of a national accounting or auditing body or institution. Although this organisation is not member of the IFAC, the Expenditure Verifier commits to undertake this expenditure verification in accordance with the IFAC's standards and ethics;
or
 - c. To be registered as a statutory auditor in the public register of a public oversight body in an EU member state in accordance with the principles of public oversight set out in Directive 2006/43/EC of the European Parliament and of the Council and subsequent amendments (this applies to auditors and audit firms based in an EU member state);
or
 - d. To be registered as a statutory auditor in the public register of a public oversight body in a third country and this register is subject to principles of public oversight as set out in the legislation of the country concerned (this applies to auditors and audit firms based in a third country).
11. To have extensive and demonstrable experience in the provision of services described in the TS, presenting a list of the principal services similar to those put forth for tender having been carried out in the last three (3) financial years (2018-2019-2020) with the descriptions of the object, the respective amount, dates and recipients, public or private, with the express declaration of regular execution.
12. The Tenderer must prove experience in the field of financial audit of grants financed by the EU or other public donors by providing a sample of the principal audits or other assurance services recently performed.
13. Experience of working in English language (written and spoken).
14. Minimum level of technical expertise of the audit team:
 - At least 2 Audit Leaders of two different nationalities having the following requirements:
 - Minimum 5 years of professional experience in the field of audit (financial and compliance);
 - Minimum 3 years of professional experience in management or co-ordination of audits or similar engagements at an international level;
 - Minimum C1 level in English;
 - Audit certifications acquired during the career.

Additional audit team members will be considered as an added value to the tender submitted and their CVs will be duly evaluated by the competent committee.

The Tenderer must provide concise but informative curricula vitae (maximum 3 pages long) of the Audit Leaders, proving the requirements above.

Economic and financial capacity:

The Tenderer must have the following economic and financial capacity to perform the contract:

15. Being in a stable financial position (financial viability) → Possession of two (2) bank references issued by major banks or authorised dated after the invitation to the present Letter of Invitation, in which it is shown that the company has always met its commitments with regularity and punctuality and to be in possession of the economic and financial capacity to perform the services forming the object of the tender.
16. Having generated an annual turnover in the last 3 closed financial years (2018, 2019, 2020) of at least €1 billion per year (please, be aware that this criterion applies to the tenderer not as a local/national branch but to the whole group it is part of).
17. Submitting a copy of the financial statements for the last three financial years (2018 - 2019 - 2020) or including a direct link in the tender.
18. Having a professional risk indemnity insurance. Evidence of professional risk indemnity insurance is to be provided with the tender.

Tenderers that are not compliant with the applicable minimum requirements shall be rejected.

Article 11. Award criteria

Only the tenders submitted by Tenderers meeting the requirements of the exclusion and selection criteria will be evaluated in terms of quality and price. The Contract shall be awarded on the basis of “**most economically advantageous tender**” following the assessment made by the competent evaluation committee which will assign a score to each offer to a maximum of 100, apportioned based on the following parameters:

MAXIMUM SCORE	
Technical and quality evaluation	60/100
Economic evaluation	40/100

The total score of the tender shall be the sum of the technical and economic score obtained:

$$\text{Offer P} = \text{economic evaluation P} + \text{technical evaluation P}$$

The Tenderer obtaining the highest overall score shall be awarded with the Contract.

A - Allocation of points for technical and quality criteria

Each parameter will be assigned a certain weight, with the maximum amount being equal to 60, which, multiplied by the coefficient of quality assigned at the discretion of the evaluation committee (between 0 and 1, as shown in Table II), will determine the score attributed to each tender, as indicated in the following Table I.

TABLE I			
DESCRIPTION			MAXIMUM SCORE
A1	Organisation and methodology for the execution of audit assignments		<u>10</u>
A2	Evaluation of audit team		<u>45</u>
	A2.1	Audit Leaders	25
	A2.2	Audit team additional members	15
A2.3	Previous experience with undertaking similar type of audit for similar type of institution	5	
A3	Additional services and/or improvements		<u>5</u>

The minimum score for technical and quality criteria is 35/60. Tenderers who fail to achieve this minimum shall not proceed to the point of assessment for the economic offer.

In the case of award, the entire technical offer and all provisions within the TS shall form part of the Contract.

It should be noted that the coefficients of quality will be attributed on the basis as set out in Table II.

TABLE II		
EVALUATION	EVALUATION	COEFFICIENT
GREAT	Well-structured technical offer that develops the requested project in a clear, precise and in-depth manner, adding additional value in respect to the expectations of the Institute.	1.00
GOOD	Suitable technical offer that develops the topic with no particular insights.	0.75
SUFFICIENT	Acceptable technical offer but poorly structured with limited application to the provisions of the TS.	0.50
LOW	Mediocre technical offer that is under-developed.	0.25
INSUFFICIENT	Insufficient project technical offer that is generic and inadequate.	0.00

B - Allocation of points for financial criteria

The maximum points available for the price (40 points) shall be assigned to the Tenderer proposing the best price.

The other Tenderers shall be given scores (rounded to two decimal places, if necessary) proportional to the ratio between the best price and that offered by each Tenderer.

$P = 40 \times \frac{\text{Minimum Price}}{\text{Price offered}}$

P = points assigned to the tender.

The Price considered for evaluation will be the total price of the tender, covering all the requirements set out in these TS.

The Tenderer shall submit an economic offer using the form Annex II B, composed of:

A. Price A (PA, score 20/40)

Price for performing Service A, as described in article 5A of these TS.

B. Price B (PB, score 20/40):

Price for performing Service B, as describe in article 5B of these TS.

Shall be deemed ineligible and, therefore, rejected from the proceeding, all the tenders in which the cost of labour is abnormally lower than the average cost in the European labour market.

Article 12. Award requirements

The successful tenderer, on the date set by the Contracting Authority for the purposes of final award, will have to submit a copy of original compliance certifications demonstrating all requirements stated in the tender.

In the event that the successful tenderer does not promptly execute the fulfilment of the above, fails to present all documentation requested or does not provide proof of possession of all requirements declared in the tender, as well as if any checks reveal failure of compliance with the declarations submitted during the tendering period, the Contracting Authority reserves the right to declare a compliance failure and to award the procedure to the following tenderer in the list or to launch a new call for tender, which in either case shall result in the forfeited tenderer having to bear any addition costs incurred by the Contracting Authority. In these circumstances, in respect to the failing tenderer, a temporary deposit will be forfeited, whilst proceedings for the application of any additional penalties provided by law may be pursued.

In case of a positive result from the above verification activities, the award shall be in favour of the successful tenderer who will be then formally invited to sign the Contract.

The EUI reserves the right to proceed to request clarification and/or completion of product documentation.

The execution of the service may start only after the Contract will been signed.

CHAPTER IV - DEFAULTS AND PENALTIES

Article 13. Sanctions and penalty mechanisms

The Contractor has the obligation to implement a schedule to ensure each task is carried out according to the timeframes and means provided for within these specifications.

The Contracting Authority may, at any time, undertake checks and controls on the exact delivery of the services required.

Unless otherwise provided for by legislation, the Contracting Authority reserves the right to apply penalties to the Contractor, if for any reason the contracted tasks were not carried out in their entirety or were not in compliance with the provisions of this tender and the proposals for improvement made by the Contractor, in accordance with the penalties listed below:

- each delay in submitting the audit reports (preliminary or definitive) more than 7 (seven) calendar days out of the scheduled date where due to the negligence of the Contractor, which will generate the application of a penalty equal to 3% (three per cent) of the agreed amount for the audit for each additional day delay, without prejudice to the right to invoke the clause for early termination of the Contract;

- each delay in submitting the report of Factual Findings more than 7 (seven) calendar days out of the scheduled date where due to the negligence of the Contractor, which will generate the application of a penalty equal to 3% (three per cent) of the agreed amount for the audit for each additional day delay, without prejudice to the right to invoke the clause for early termination of the Contract;
- failure or delay in replacing of unavailable staff member shall result in a penalty equal to 2% (two per cent) of the agreed amount for the service to be done for each day of delay after the deadline of 15 days following the formal request;
- the disclosure of sensitive information relating to activities, problems encountered and possible solutions to individuals other than direct staff and the referents of the Institute will result in the immediate termination of the Contract.

The application of penalties shall be preceded by a regular contestation of the failure, during which the Contractor has an opportunity to present their counter no later than 15 days from receipt of the official communication of protest sent by the Contracting Authority.

In case of absence or non-acceptance of the counter-arguments, the Contracting Authority will proceed to the application of the above penalties.

The Contracting Authority, in addition to proceeding with the application of the penalties referred to in the preceding paragraphs, will not compensate for the services not performed, whilst also reserving the right to enforce other sanctions for service failure or incompleteness.

The application of the penalties provided for in this Article shall not preclude the right of the Contracting Authority to claim compensation for damages.

CHAPTER V – OBLIGATIONS AND CHARGES

Article 14. Obligations and charges to be borne by the Contractor

The Contractor shall bear all the obligations and charges relating to the service covered by this procurement procedure, in compliance with the existing laws on health, safety and hygiene in the workplace. The Contractor is also bound by the provisions included in these Tender Specifications, in the Annexes enclosed to its tender and in the invitation Letter.

The Contractor shall be held directly accountable for any injury and/or property damage and any damage to the Institute; any compensation shall be borne completely and exclusively by the Contractor.

The Contractor agrees to hold harmless and indemnify the EUI against any damage as well as criminal and civil liability towards third parties and/or property, directly and indirectly, also as a partial result or consequence of the entrusted services.

Article 15. Safety provisions

In order to ensure safety in the workplace, the Contractor is required to adhere strictly to the legislation on the protection of the health and safety of workers referred to the current legislation on this matter.

All the activities relating to the services covered by these Tender Specifications must be carried out in such an orderly manner, including all necessary precautions, so as to prevent any damage or injury to staff and third parties, and not to cause damage to floors, furniture, doors and jambs, walls and paintwork, etc.).

Article 16. Liability

In relation to the obligations deriving from the submission of its tender, the Contractor expressly releases the Contracting Authority from any and all liability in cases of injuries or damage that may be incurred by staff, property, resources and valuables belonging to the Contracting Authority, to the Contractor, to third parties, and having occurred in relation to activities performed in carrying out its duties.

Article 17. Personal data protection

If processing your reply to the invitation to tender involves the processing of personal data (such as your name, address and CV), such data will be processed pursuant to the EUI's Data Protection Policy (President's Decision No 10/2019 regarding Data Protection at the European University Institute, <https://www.eui.eu/About/DataProtection>).

Personal data processing that the Contractor will carry out on behalf of the EUI shall comply with the EUI's Data Protection Policy.

The Contractor will act as an external processor of the EUI and, therefore, shall process personal data only on documented instructions from the EUI.

CHAPTER VI - ADMINISTRATIVE INFORMATION

Article 18. Administrative information

All the information and conditions included in the TS and other annexes, the Letter of Invitation, the Declaration on honour, all the supporting documents and all the documentation related to the “most economically advantageous offer” shall be binding for the awarded Contractor and form an integral part of the final contract.

Article 19. Payments

The Institute is a teaching and research centre which uses a decentralised administrative structure and which manages, in addition to the different internal projects, several activities which are externally financed by both public and private sponsors. The Contractor undertakes to follow the analytical invoicing procedures requested by the Institute, issuing on demand specific invoices for each cost centre/activity identified.

Regarding Service A, payments shall be made as follows:

- 50% of the fee after the submission of the preliminary report on the provisional accounts;
- 50% of the fee after the presentation of the audit reports to the Budget Committee.

Regarding Service B, payments shall be made as follows:

- 50% of the fee after the submission of the preliminary report;
- 50% of the fee after the presentation of the final report on Factual Findings.

Invoices shall show the details of the Contractor, the amount, currency and date, as well as the reference details of the Contract and reference to the purchase order or specific contract.

Payments by bank transfer are to be effectuated through the Credit Institution of the Institute, no later than sixty (60) days from receipt of invoice.

Payments shall be deemed to be effected on the date when they are debited to the Contracting Authority's account.

Deductions resulting from economic penalties for non-compliance or reimbursement of expenses will be compensated simultaneously with the payment of invoices for the period of reference.

Article 20. Subcontracting and outsourcing contract

The contract may NOT be reassigned, at risk of nullity.

Subcontracting is NOT allowed.

CHAPTER VII - FINAL PROVISIONS

Article 21. Contract Management

For the Contracting Authority, the reference persons for the contract management are the following:

- the Director of the Budget and Financial Affairs Service, who will take care of the financial management of the contract;
- the Internal Auditor, who will take care of the implementation of the working programme.

Article 22. Indicative procedure timetable

Table III – Calendar (see invitation letter)	
Action	Date
Launch date	06 August 2021
Deadline for sending requests for clarifications	03 September 2021
Submission of offers	10 September 2021
Evaluation of tenders	September-October 2021
Notification of results	December 2021
Contract signature	December 2021-February 2022

Article 23. Final provisions and Annexes

The tender documents are composed of Tender Specifications and the Contractor's tender (Annex II), including the following annexes:

List of Annexes:

- Annex II.A – Technical offer
- Annex II.B – Economic offer
- Annex II.C – Self-declaration
- Annex II.D – Declaration on honor
- Annex II.E – Guidance notes
- Annex II.F – EUI holidays 2022