



**MERCY CORPS**

Request for Proposal – **Global Auditor**

Date – November 17<sup>th</sup> 2022

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# I. Mercy Corps Overview

Mercy Corps is a global team of humanitarians, working together on the front lines of today's biggest crises to create a future of possibility, where everyone can prosper.

Our mission: to alleviate suffering, poverty and oppression by helping people build secure, productive and just communities.

In more than 40 countries around the world, our nearly 6,000 team members work side by side with people living through poverty, disaster, violent conflict, and the acute impacts of climate change. We're committed to creating global change through local impact — 85 percent of our team members are from the countries where they work.

We bring a comprehensive approach to every challenge, addressing problems from multiple angles. Thanks to support from our extended global community, we've provided \$4 billion in lifesaving assistance to meet the urgent needs of more than 220 million people over nearly 40 years. In addition to emergency aid, we partner with local governments, forward-thinking corporations, social entrepreneurs, and people living in fragile communities to develop bold solutions that make lasting change possible

## II. Project Background and Context

Information relating to Mercy Corps can be found on our website: <http://www.mercycorps.org> We have provided the weblinks below for the various sections that might help with your proposal.

- Overview of Mercy Corps: <https://www.mercycorps.org/who-we-are>
- Board of Directors and Leadership: <https://www.mercycorps.org/who-we-are/our-team>
- Mercy Corps Pathway to Possibilities Ten-Year Strategy: <https://www.mercycorps.org/pathway>
- Mercy Corps and Affiliates Financials <https://www.mercycorps.org/who-we-are/financials>
- Mercy Corps Europe Financials <https://europe.mercycorps.org/en-gb/who-we-are/financials>
- Mercy Corps Netherlands Financials <https://netherlands.mercycorps.org/who-we-are/NL-financials>

Mercy Corps has engaged KPMG to audit Mercy Corps and Affiliates and Mercy Corps Europe since 2019. Mercy Corps Netherlands was established in 2018 and is most recently audited by Schipper & Paul since 2020. Our original contract with KPMG was for 3 years and was extended to 2022 due to COVID. Schipper and Paul have been engaged on an annual basis.

## III. Desired Services & Scope of Work

Mercy Corps and Affiliates (consisting of Mercy Corps in the United States a 501(c)(3) tax exempt organization, Mercy Corps Europe is registered in Scotland as a charity and Mercy Corps Netherlands is a based in the Hague) is requesting a 3-year proposal with an option to renew from CPA firms that have extensive knowledge and experience in providing audit services for international not-for-profit organizations. Mercy Corps is seeking one point of contact to lead the audit engagement across the above three entities.

### Objectives:

Completion of reviews and audits, and issuance of financial statements and reports included in the list of deliverables within an agreed upon timeframe.

**Deliverables:**

Deliverables consist of:

- 1) Annual audit of the consolidated financial statements for Mercy Corps and Affiliates and Preparation of the related management letter.
- 2) Annual audit of the consolidated financial statements for Mercy Corps Europe
- 3) Annual audit of Mercy Corps Netherlands
- 4) Presentation of the results of the audit and the management letter at the board's Audit Committee including executive session.
- 5) Consultation on financial and other matters related to the organization as required annually.
- 6) Annual OMB Single Audit of Mercy Corps Global
- 7) Review of uniform guidance on the indirect/overhead calculation of Mercy Corps Global
- 8) Incremental test work over Kompanion Bank, a subsidiary of Mercy Corps Global
- 9) Country Office visit and field testing of a selected country

**Timeframe / Schedule:**

- April 1st – June 30th                      Audit Planning & Interim Work
- July 1st – September 30th              Year-End Audit Work
- Late September                              Draft Financial Statements to Management
- Mid-October                                   Management Letter & Draft Financial Statements to Audit Committee
- Mid-October                                   Draft Uniform Guidance Financial Statements
- November 13th                                Presentation to Audit Committee

**Audit Cadence:**

Mercy Corps' fiscal year end is June 30th. The historic audit cadence is below:

<b>Deliverable</b>	<b>Interim Audit period (focus on more upfront preparation here)</b>	<b>Final Audit period</b>	<b>Issuance Date</b>
1) Mercy Corps and Affiliates Consolidated Financial Statements and Supplemental Schedules	Mid-July	October-November	Early November
2) Mercy Corps Europe Trustee's Report	Mid-April	September	Early October
3) Mercy Netherlands Annual Report	Mid-April	September	Early October
4) Consolidated Financial Statements and Supplemental Schedules and Independent Auditor's Report in accordance with the Uniform Guidance for Federal Awards	Mid-July	October-November	Mid - November
5) Schedule of Uniform Guidance on Overhead Calculation	N/A	November	Mid - November
6) Kompanion Bank Incremental Test Work (6 months)	N/A	July- August	September

## IV. Evaluation of Proposals

Proposals will be scored using the following technical criteria. Proposals should address each evaluation criteria and questions in section V.

- Adherence to the RFP Requirements: Did the bidder conform to all requirements and product or service specifications in the RFP (0-10 points)
- Technical Criteria: Includes the bidder's understanding of the service or procurement required, bidders' management plan, supplier's qualifications, and bidders' overall resources. Does the supplier have the right qualifications (registration, insurance, experience)? (0-30 points)
- Management Criteria: Includes the bidder's experience on similar projects, the bidder's performance on similar projects, the bidder's available facilities and resources for the project, and the bidder's plan for management and control of the project. (0-30 points)
- Cost Criteria: Is the cost within any pre-determined price range, such as cost estimates from a market analysis? In most cases, the cost is evaluated using the value for money unless otherwise directed by donor requirements. (0-30 points)

## V. Proposal Format & Requirements

To secure information in a form, which will ensure that your proposal will be evaluated, you are asked to submit your proposal in the format listed below. Standard proposal formats are acceptable provided the following information is included:

1. Name, address, telephone number, and email address for principal contact.
2. Describe your Firm on an overall basis, both locally, nationally and internationally (staff size, number of professionals, industries served, international presence, etc.)
3. Summarize your Firm's qualifications regarding nonprofit organizations from an audit, tax perspective and services offered including:
  - a. Full legal name, the jurisdiction of organization or incorporation, and address of the company
  - b. Full legal name and country of the citizenry of the company's President and/or Chief Executive Officer, and all other officers and senior managers of the company
  - c. Year the business was established
4. Name and professional qualifications of personnel who would provide the services across all three engagements and key points of contact for the whole engagement
5. Names, addresses, phone numbers, and email addresses of at least three clients of similar industry and scope of operations as Mercy Corps that can be contacted as references.
6. Describe engagements your firm currently conducts in the not-for-profit sector. Include a list of not-for-profit clients that you believe are comparable to our organization in size, mission focus and complexity. If partners or other employees serve in an advisory/consultative capacity within the not-for-profit sector, please list such positions as well.
7. Describe your local audit staff turnover experience within the past three years and how you would provide continuity of assigned personnel on this engagement.
8. Describe the level of experience of the individuals who would be assigned to our account. Include a resume of the qualifications and experience of partners, managers, and staff.
9. Describe any services, other than audits, that are offered by the local office especially as related to internal controls and EDP operations.
10. Describe any relationships with your existing clients which might jeopardize your objectivity or independence.
11. Describe you Firm's staff training and development policies and programs.
12. Describe procedures utilized to monitor the progress of the work for periodic evaluation and communication to the management of Mercy Corps so that problems can be resolved.
13. Submit client references for each key member of the proposed client service team.
14. Submit local non-profit client references.
15. Please include your peer review report with your proposal.

16. Please give any additional information, not specifically requested previously, or considered essential to your proposal.

## **CONTACT FOR BID INQUIRIES**

All inquiries concerning this solicitation shall be addressed to the following Designated Mercy Corps Contact: Mark Spencer, Director Global Procurement: [m Spencer@mercy Corps.org](mailto:m Spencer@mercy Corps.org)

Please email an electronic version of your response (via e-mail), including all supporting documentation (inclusive of completed supplier information form), and direct questions about the RFP to Mark.

All questions should be submitted in writing (via email) citing the bid section and paragraph number. Bidders should note that all clarifications and exceptions are to be resolved prior to the submission of a bid.

Only questions received during the Question-and-Answer period (as outlined in the RFP Calendar) will be addressed. No telephone questions will be answered. Official answers to the questions will be shared with all applicants and posted on the Mercy Corps website at [www.mercy Corps.org/tenders](http://www.mercy Corps.org/tenders)

## **RFP CALENDAR/TIMELINE**

- |                                |   |
|--------------------------------|---|
| • RFP published                | November 17 <sup>th</sup> , 2022                            |
| • Questions and Answers        | November 17 <sup>th</sup> – December 9 <sup>th</sup> , 2022 |
| • RFP responses due            | December 16 <sup>th</sup> , 2022                            |
| • Vendor meetings              | Week of January 9 <sup>th</sup> , 2023                      |
| • Vendor selected and notified | January 2023  |

# **VI. Other Terms & Conditions**

## **WITHDRAWAL OF RFP**

Proposals may be withdrawn before the RFP submittal deadline by submitting a written request to the Contact Person. Re-submittal before the RFP submittal deadline can be made; however, they may not be re-submitted after the deadline.

## **RFP COSTS**

All costs incurred in the preparation and presentation of proposals to the RFP shall be completely absorbed by the responding party to the RFP. All documents submitted as part of the RFP will become property of the Mercy Corps. Requests for specific material to be returned will be considered. Any material submitted that is confidential must be clearly marked as such.

## **AWARD BASIS**

At the option of the Mercy Corps, finalists for the Agent designation may be selected for a final round of negotiations; however, applicants are encouraged to present their best offers with their initial submission. Mercy Corps reserves the right to accept or reject any and all proposals, to waive any irregularities in any proposal process, and to make an award of contract in any manner in which Mercy Corps, acting in the sole and exclusive exercise of its discretion, deems to be in Mercy Corps best interest.

## **CONTRACTUAL DEVELOPMENT**

Once an applicant is approved as the exclusive Agent, the successful respondent will enter into a contract with the Mercy Corps. Contract discussion and negotiation will follow the award selection. Bidders must be amenable to inclusion, in a contract, of any information provided whether herein or in response to this RFP, or developed subsequently during the selection process.

## **CONTRACT TERMS**

Firms that are selected as the exclusive Agent are eligible to enter into a service contract. Mercy Corps may terminate the contract upon written notice to the Agent of not less than thirty (30) days.

## **EQUAL OPPORTUNITY**

Mercy Corps emphasizes that all respondents will receive full consideration without regard to race, color, religion, sex, national origin, sex, disability, age, or sexual orientation. Minority and women-owned firms are especially encouraged to respond to this RFP.

## **LIMITATIONS**

Mercy Corps reserves the right to reject any and all Proposals and to waive any informality in the solicitation process. Total proposal length excluding cover letter, details of professionals who will provide services, and contact information of client references, should not exceed 12 pages.

## **VII. Sample Contract**

This is the anticipated contract and is a condition of the tender. However, if required, additional terms and conditions may be added by Mercy Corps in the final contract.

Any deviations or justifications from this contract must be set out in the tender proposal with proposed alternative language.