**Request For Proposal (RFP) ID: “Annual Audit Services 11/21/2022”**

**Responses to Requests for Clarification**

Question 1a: Country offices: can you provide an organogram which shows the entity structure? We are interested in seeing which are actual HIAS branches vs. local subsidiaries/NGO’s/related entities (to understand the basis for consolidation as well as the local audit effort).

Response 1a: The following lists the structure of each of HIAS’ international regions.  Each is deemed to be a related entity to HIAS (“related entity”):

Latin America & Caribbean Region

* HIAS Venezuela – Subsidiary of HIAS Ecuador
* HIAS Panama – Subsidiary of HIAS Ecuador
* HIAS Ecuador – Registered as HIAS Ecuador (a foundation)
* HIAS Costa Rica – Subsidiary of HIAS Ecuador
* HIAS Peru – Registered as HIAS Peru (a civil association)
* HIAS Mexico – Registered as HIAS Mexico A.C  (a civil association)
* HIAS Aruba – Registered as Stichting HIAS Aruba  (a foundation)
* HIAS Colombia – Registered as Fundacion HIAS Colombia (a foundation)
* HIAS Guyana Inc.  – Registered as a corporation

Africa & Eurasia Region

* HIAS Austria – Registered as HIAS Vienna and HIAS’ only RSC (Resettlement Support Center)
* HIAS Israel – Registered as HIAS Israel – HIAS Inc. is the sole/controlling board member of HIAS Israel
* HIAS Greece - Branch of HIAS Inc.
* HIAS Kenya – Registered as HIAS Refugee Trust of Kenya (HRTK; a public trust)
* HIAS Chad – Registered as HRTK Chad, a subsidiary of HRTK
* Uganda - Registered as HIAS Refugee Trust of Kenya (HRTK) and Uganda (dormant in FY19)

We have added new countries in CY 2022 : Poland, Moldova, Romania, Guatemala and Honduras. We are working to determine the basis of the consolidation

Question 1b: Also can you identify which “offices” were audited by other auditors in the past, if any (and if they were GT affiliate firms); we are simply trying to gauge the local auditor coordination and timing of local office audit planning activities, etc.

Response 1b: Some of our countries had statutory audits, (Israel, Ecuador, Kenya) and project audits.

Question 2: Total expenses (in FY21) totaled $102mm.  How much of that was spent/incurred in local offices (transacted outside of the US)? What is the actual total an split for FY22?

Response 2:

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| --- | --- | --- |
|  | **FY 2021**  | **FY 22 @11/30/22** |
|   | Expenses $$  | Expenses % | Expenses $$  | Expenses % |
| HQ | $  51,445,466.01  | 50.09% | $86,394,933.12  | 61% |
| Country offices | $  51,259,610.52  | 49.91% | $55,144,199.26  | 39% |
|   |   |   |   |   |
| Total | $ 102,705,076.53  | 100% | $141,539,132.38  | 100% |

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Question 3: Audit fieldwork timing: the timeframe in the RFP indicates Oct-March.  Would it be possible to have the bulk of the work (completion of fieldwork) scheduled for January 2024?  We would definitely start planning procedures, interim testing, etc. in the October 2023-December 2023 timeframe, we are just curious about your personnel resources and availability during the month of January (the wrap-up month). We can accommodate any timeframe regardless. Also, during the past couple years, has the audit process stayed on schedule and completed on time; if not, are there reasons why?

Response 3: We have resources available and the January work will not be a problem. In past years , the audits were completed according to the schedule.

Question 4: Onsite audit fieldwork: would HIAS be able to accommodate onsite/hybrid fieldwork? (or is the expectation fully virtual?)

Response 4: Yes

Question 5: Were there any Material Weaknesses or Significant Deficiencies reported during the FY21 audit? Any expected in FY22? Were there any reported UG findings in FY21? Any expected in FY22?

Response 5: No

Question 6: Fraud/Social Engineering: any instances of such occurred in FY22?

Response 6: No

Question 7: Donor audits (of HIAS programs/grants): any donor/agency audits conducted in FY21 or FY22?

Response 7: We had donor project audit in the country office completed by UNHCR.

Question 8: Any pending or threatening litigation, claims or assessments against HIAS?

Response 8: No

Question 9: The reason for changing firms (or reason for the RFP process).

Response 9: HIAS’ Audit & Risk Committee recommended the RFP based on the fact that HIAS has used the same audit firm for more than five years and it is best practice to rotate audit firms from time to time.

Question 10: Wish list: what would be the top couple wishes HIAS would want from its new auditor relationship (what would be the highest value-add to the relationship in FY23 and thereafter)?

Response 10: HIAS seeks an audit partner who will help us maintain strong controls and procedures as we continue to grow in both revenue/expense, but also in our geographic presence. We need an audit partner that can advise us throughout the year on financial and tax issues and keep us up to date on changes in regulations and best practices. We also look for the auditors to coordinate with our Internal Audit Team to ensure complementary coverage and review, both at HQ and our Country Offices.