IIASA-FG-RfQ-2024-01

Request for Quotation – Financial Audit Services

Issued by the International Institute for Applied Systems Analysis (IIASA) on 1st February 2024

Response Deadline: 29th March 2024, at 15:00

Dear Sir/Madam,

The International Institute for Applied Systems Analysis (IIASA) is seeking quotations from internationally recognized financial service providers for the audit of its financial statements and other ancillary services for the fiscal years ending 31st December 2024, 2025, and 2026.

Quotes should be prepared in accordance with the annexes and submitted to IIASA until 29 March 2024, in writing either by mail, courier, or e-mail to coo.tender@iiasa.ac.at, stating in the subject:

“Request for Quotation, IIASA-FG-RfQ-2024-01”.

Quotes which do not fulfill these specifications may be disqualified from review.

We look forward to receiving your offers.

Kind regards,
IIASA Finance and Grants Department

Annexes:
Annex 1 – Information about the Procurement Process
Annex 2 – Terms of Reference
Annex 1

Information about the Procurement Process

1. About IIASA

1.1. The International Institute for Applied Systems Analysis (IIASA) is an international research organization and think tank based in Laxenburg, Austria. IIASA is a registered Austrian association which benefits from certain privileges as defined by its Agreement (BGBl 441/1979) with the Republic of Austria.

2. Procurement Principles

2.1. IIASA procurement activities are driven by the following principles

   a. Quality of goods, works and/or services,
   b. Efficiency, economy, and best value for money,
   c. Equal opportunity, fair competition, and the highest ethical standards,
   d. Transparency and clarity,
   e. Sustainability,
   f. The best interest of IIASA.

3. Requesting Offers

3.1. IIASA uses various channels to notify potential suppliers about its procurement activities including reaching out directly, the IIASA website (iiasa.ac.at), and other mediums such as print media or the internet as appropriate.

3.2. Notifications made by IIASA shall strive to provide sufficient information to enable potential suppliers to submit their offers and shall explain which information offers shall include. For procurement activities with a procurement value greater than EUR 50,000.00 net, IIASA issues either a Request for Proposals (RfP) or a Request for Quotations (RfQ), whereby:

   a. An RfP is a document that solicits proposals from suppliers with regards to achieving an outcome. Requests for proposals state the desired final outcome without specifically stating the means by which it should be reached. Suppliers therefore have a large degree of freedom with their proposals.
   b. An RfQ is a document that solicits quotations from suppliers where the specifications for goods, works and/or services are sufficiently precise such that the price is usually the key factor for the evaluation of bids.

3.3. Any subsequent updates following the original notification will be provided by IIASA using the same channel(s) in which the original notification was made.
4. **Deadlines for Receiving Offers**

4.1. IIASA specifies the deadline for submission when requesting offers. IIASA reserves the right to extend any deadlines whereby all potential suppliers must be notified of any extensions using the same channel(s) in which the original notification was made.

5. **Conflict of Interest**

5.1. Potential suppliers must declare any conflict of interest to IIASA prior to submitting any offers.

6. **Submission of Offers**

6.1. Offers must be submitted to IIASA in writing either by mail, courier, or e-mail to the dedicated e-mail address.

7. **Communication with IIASA**

7.1. Aside from submitting their offers and any potential requests for clarifications related, potential suppliers shall generally not engage with IIASA in respect of the procurement case during the procurement process. Potential suppliers may address their requests for clarifications using the contact details provided by IIASA for the submission of offers. It is noted that questions/clarifications may amount to an amendment or supplement of the request for offers (see section 3).

8. **Language of Offers**

8.1. Offers should ideally be received by IIASA in English, which is the official language of the Institute. Offers will also be accepted in German, especially when procuring goods, works and/or services from the Austrian local market. IIASA is unable to accept offers provided in any other languages.

9. **Currency of Offers and Value Added Tax (VAT)**

9.1. Offers should ideally be received by IIASA in EUROS, which is the primary currency of the Institute. Where potential suppliers are unable to provide their offer in EUROS, they are kindly asked to reach out to the dedicated e-mail address specified in the RfQ.

9.2. Prices must be stated inclusive of direct and indirect taxes, such as VAT, also stating the rates of these taxes, if any.

10. **Cost of Offers**

10.1. All offers must be submitted free of any charge to IIASA.

11. **Supplier Selection**

11.1. The selection of a supplier by IIASA is final and cannot be appealed.
12. Data Protection

12.1. IIASA has an obligation to meet the requirements of the General Data Protection Regulation (EU law of data protection and privacy) and has established a range of measures to ensure the compliance therewith. Further information on data protection may be obtained by contacting the IIASA Data Protection Manager if necessary (dataprotection@iiasa.ac.at).
Annex 2

Terms of Reference (ToR)

1. Summary

The International Institute for Applied Systems Analysis (IIASA) is seeking quotations from financial service providers (subsequently referred to as vendors) for the audit of its financial statements and other ancillary services for the fiscal years ending 31st December 2024, 2025, and 2026. Vendors submitting quotations should either be based in IIASA’s host country of Austria or have permanent branches/subsidiaries here. They however should be known and readily recognized on the international stage.

2. About IIASA

Founded in 1972 and based in Laxenburg Austria, IIASA is a non-governmental and not-for-profit international research institute that advances systems analysis and applies its research methods to identify policy solutions to reduce human footprints, enhance the resilience of natural and socioeconomic systems, and help achieve the Sustainable Development Goals.

The work of IIASA is made possible through the support of a range of organizations and individuals that share the institute’s commitment to independent, interdisciplinary research into pressing global problems. The annual budget for 2024 was approved by the Institute’s governing Council at €28.8 million, of which just under half is expected to come by way of membership contributions from the Institute’s National and Regional Member Organizations (N/RMOs), with the remainder foreseen to come from contracts, grants, and donations from a variety of third-party funding sources. These many diverse income sources enable IIASA to perform truly independent research.

IIASA was established as an association ('Verein') under the Austrian Associations Act ('Vereinsgesetz’ (VersG)) and is registered with the number ZVR 524808900. Owing to the volume of its annual revenue, IIASA is obliged to compile final statements that are subject to mandatory external audit by qualified and eligible auditing firms.

Although not officially established as an International Organization, the Institute benefits from a range of privileges, many of which provide tax obligation relief and are typically reserved for such entities. In IIASA’s case, these privileges are granted by way of governmental decree from the Republic of Austria (Bundesgesetzblaetter #677 from 14.12.1977 and #441 from 17.7.1979). As a consequence, IIASA is referred to as a ‘Quasi-International Organization’. Further information about IIASA can be found on the Institute’s website: www.iiasa.ac.at.

1 With the possibility of extension thereafter
3. Scope of Audit Services and Deliverables

IIASA compiles financial statements in accordance with the Austrian Commercial Code ('Unternehmensgesetzbuch' (UGB)) to fulfil its statutory obligations as prescribed under § 22 Abs. 2 VerG. These statements are subject to mandatory audit by qualified and eligible auditing firms, and this therefore constitutes the primary focus of the required services.

Owing to its international audience, which not only includes its N/RMOs but also a variety of third-party funders from across the globe and other international stakeholders, IIASA additionally compiles English language financial statements on a non-compulsory/voluntary basis. These statements are drawn up in accordance with accounting standards derived from IFRS, albeit with a consolidated appendix that focuses on the essentials. The audit of these statements is foreseen as an ancillary service under the overall scope of services.

IIASA’s governing Council, represented through its Finance, Risk and Audit Committee (FRAC), requests the receipt of a Management Letter (ML) drawing attention, inter alia, to any significant changes in positions between fiscal years, emerging trends of significance, or any other matters of potential interest. This, coupled with a closure discussion involving selected IIASA stakeholders and the Chair of the Council’s FRAC, is also foreseen under the overall scope of services.

Given that donations are occasionally a feature of IIASA’s finance model, the Institute aims to fulfill the conditions for tax-deductibility for Austrian-based donors. A further ancillary service under the overall scope of services is for the vendor to conduct an independent assessment of the fulfilment of the necessary criteria in accordance with §4a Abs. 8 Z 1 EStG 1988 (tax-deductibility of donations).

Summary of Services:

- Compulsory audit of the annual financial statements (German language, UGB accounting standards) in accordance with § 22 Abs. 2 VerG
- Voluntary audit of the annual financial statements (English language, accounting standards derived from IFRS)
- Provision of ML and discussion on financial closure with selected IIASA stakeholders the Chair of the Council’s FRAC
- Voluntary independent assessment of the fulfilment of the necessary criteria in accordance with §4a Abs. 8 Z 1 EStG 1988 (tax-deductibility of donations)

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2 In the context of this RFQ, ‘non-compulsory/voluntary’ is understood to mean that there is no statutory obligation for IIASA to produce such deliverables, however the Institute opts to do so for its own benefit, to fulfill internal requirements, or for other reasons.

3 Based on experience, closure meetings typically have a duration of 30-60 minutes and take place remotely. In-person meetings may however be requested by IIASA or the Chair of the FRAC.
4. Timeline

The annual audit should ideally commence at the beginning of April of the ‘subsequent’ year (i.e., the audit of the 2024 books, with the fiscal year ending on 31st December 2024, should commence at the beginning of April 2025), and key IIASA stakeholders are requested to ensure their availability to support and facilitate the audit during the ensuing two weeks. IIASA aims to provide the auditing team with draft financial statements around seven days ahead of the start of the audit.

The first half of April therefore lends itself ideally to potential onsite visits by the auditing team, as well as engagement with IIASA stakeholders via other means (telephone calls, remote meetings, etc.). Acknowledging the importance of a healthy work-life balance, it is however noted in advance that IIASA strives to avoid peak holiday periods (such as Easter) as best possible, and the Institute remains closed on weekends and public holidays.

IIASA requires audited financial statements for subsequent sharing with its governing Council by the beginning of May, thus, the end of April is envisaged for the conclusion of the annual audit. The closure meeting typically takes place at the end of May or the beginning of June.

In summary, based on collected experience, IIASA foresees a timeline along the lines of:

<table>
<thead>
<tr>
<th>End of the fiscal year to be audited</th>
<th>31st December of the fiscal year to be audited</th>
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<tbody>
<tr>
<td>Auditing team receives draft financial statements from IIASA</td>
<td>Late March of the subsequent year</td>
</tr>
<tr>
<td>Start of the annual audit</td>
<td>Beginning of April of the subsequent year</td>
</tr>
<tr>
<td>Ideal period for onsite visits or engagement with key IIASA stakeholders</td>
<td>First half of April of the subsequent year</td>
</tr>
<tr>
<td>Finalization of annual audit</td>
<td>By the end of April of the subsequent year</td>
</tr>
<tr>
<td>Provision of the ML and closure meeting</td>
<td>End of May/Start of June of the subsequent year</td>
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5. Submission of Quotations and other Practical Information

Interested and eligible vendors are invited to submit their quotations for the provision of audit services as specified in this RFQ until 29th March 2024 via email to coo.tender@iiasa.ac.at, stating in the subject:

"Request for Quotation, IIASA-FG-RfQ-2024-01"

In the event that additional information is required to facilitate the submission of quotations, a request must be sent to the email address coo.tender@iiasa.ac.at. IIASA will review if the request can be supported and proceed accordingly.
The official language used at IIASA is English, and it is expected that all correspondence and communication throughout the procurement process and possible resulting engagement will be conducted in this language⁴.

6. Quotation Requirements

As a minimum, quotations shall:

- declare the eligibility and feasibility of the vendor to perform the required services in an independent manner, and provide a statement on the non-existence of any real, potential, or apparent conflicts of interest
- introduce the vendor and foreseen audit team
- state an all-inclusive fee for all requested financial audit services for the fiscal years ending 31st December 2024, 2025, and 2026, inclusive of VAT
- be submitted in the English language
- contain the point of contact for discussion or clarification of the quotation’s content
- include three customer references, ideally from entities that bear resemblance to IIASA (e.g., entities that are not-for-profit, that operate within the field of scientific research, that have international characteristics, that have similar funding models, etc.)

Additional information that adds value to the submission is appreciated. Quotes which do not fulfill these specifications may be disqualified from review.

7. Evaluation Process and Final Selection

In accordance with the IIASA Charter and Financial Principles, the Institute’s governing Council is responsible for the appointment of the vendor to carry out the auditing services as outlined in this RFQ. The Council convenes bi-annually, typically in the months of June and November, and it is tentatively foreseen that final selection will be made in June 2024⁵.

When making decisions of this kind, the IIASA Council adheres to the Institute’s procurement rules, which are benchmarked with well-established international procurement standards, and which are guided by overarching principles that – inter alia – promote equal opportunity, fair competition, and the highest ethical standards, that place exceptional value on transparency and clarity, that strive for efficiency, economy, and the best value for money, that aim to obtain high-quality goods and services, and that serve the interests of the Institute in the most optimal way.

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⁴ Exceptions to this rule are when statutory legislation requires documents in other languages, for instance as is the case with the annual financial statements (German language, UGB accounting standards) in accordance with § 22 Abs. 2 VerG
⁵ Subject to change at the discretion of IIASA and its governing Council
It is noted that the Institute’s procurement rules as well as its confidentiality obligations prohibit the disclosure of any information whatsoever concerning the submissions of other vendors during the procurement process.