



March 15, 2024

Dear Sir or Madam:

Conservation International Foundation (CI) is accepting proposals from CPA firms to provide audit and tax services for our organization. We invite your firm to submit a proposal to us by April 15, 2024, for consideration. A description of our organization, the services we are seeking, and other pertinent information follows.

Background of Conservation International

Conservation International Foundation and Affiliates (CI) is a nonprofit organization headquartered in Arlington, Virginia, with offices in over 30 countries. CI was incorporated in California in 1987 with an IRS 501(c)(3) designation. CI employs about 1700 employees globally.

CI works to protect nature for the benefit of people. We need nature for many things: a stable climate, clean air, fresh water, abundant food, cultural resources and much more. Yet unsustainable economic development can have negative impacts on nature. CI works at every level — from remote villages to the offices of presidents and prime ministers — to help move society toward a sustainable development path.

CI focuses its efforts on four areas:

Confronting climate change by protecting nature: CI works to reverse the destruction of tropical forests, which could provide at least one-third of the global action needed to avoid the worst climate scenarios.

Creating holistic models of sustainability: CI creates self-sustaining, scalable conservation models within larger geographic landscapes and seascapes, ensuring that humans and nature can thrive together.

Protecting our oceans at scale: CI works to protect the ocean on an unprecedented global scale while balancing ocean production. Its goal is to help to double the area of protected ocean by 2025.

Innovating science and finance to accelerate conservation: CI works to create and apply science-based evidence and solutions to conservation policies and works to unlock greater investment in nature.

The consolidated financial statements include the operations of CI-Aotearoa in New Zealand, CI-Australia Ltd., CI-Brazil, CI-Europe in Belgium, CI-Guyana, CI-Hong Kong, CI-Japan, CI-Mexico, CI-Philippines, CI-Singapore, CI-Suriname, CI-UK, Conservation South Africa, and Yayasan Konservasi Cakrawala Indonesia. All the organizations are separately incorporated in their respective countries. Due to the significant amount of oversight and support (financial and programmatic) provided by CI, their financial activities have been consolidated with CI's financial activities.

Additionally, Conservation International Foundation is the sole member of Conservation International Ventures LLC (CI Ventures). CI Ventures is an investment facility designed to accelerate investment in small and medium enterprises (SMEs) that have the potential to deliver measurable, scalable conservation impact alongside financial returns. In partnership with leading investors, project developers and conservation-oriented entrepreneurs, CI Ventures delivers targeted capacity building, and bridge financing and other resources to de-risk and scale-up investible projects in sustainable land and seascapes. The overarching goal of CI Ventures is to increase the pipeline of high-quality, bankable projects that maximize environmental and social outcomes and unlock additional finance for conservation impact. Accordingly, all financial activities of CI Ventures have been consolidated with CI.

Conservation International Foundation is also the sole member of the African Conservancies Fund LLC. This Fund is a loan facility created to support conservancies in Africa, such as the Maasai Mara Landscape in Kenya. The COVID-19

pandemic highlighted the need to financially support those working to preserve these vital ecosystems, which are under constant threat, especially when the ecotourism industry struggles. All financial activities of the African Conservancies Fund LLC have been consolidated with CI.

In the fiscal year 2023, Conservation International reported a total of **US\$ 246.7 million** in revenue from deeply committed supporters from around the globe. CI is not a membership organization. We are primarily funded through large grants and contributions from foundations, public funding organizations, corporations, and individuals. The consolidated statements of activities include support and revenue of \$19.6 million from our foreign country field programs for the year ended June 30, 2023.

Conservation International closed fiscal year 2023 with expenses totaling **US\$ 247.4 million**. US\$ 97.8 million was expended and paid for in CI's field offices while the remaining US\$ 149.6 million was expended and paid by HQ offices. Total expenditures of US federal awards were US\$ 7.8 million. Total annual board approved operating budget for the fiscal year ending June 30, 2024, is US\$ 297.2 million.

CI's utilizes Business World's (BW) ERP system, developed by Unit4. BW offers a comprehensive suite of integrated modules to manage various aspects of our organization, including finance (GL, AP, contracts, AR), human resources, and project management. From a financial management perspective, BW handles core accounting functions, budgeting, and financial reporting. The human resources module manages HR processes such as timesheet management and payroll processing. Project management helps in planning, tracking, and managing projects from inception to completion. BW is a fully electronic dual currency system. All transactions are recorded in the local functional currency of the foreign country and the US\$. Accounting transactions may either be manually entered thru the system or uploaded via a postback template. The transactions then workflow through an electronic approval process with a documented audit trail. All supporting documentation is uploaded and stored centrally in BW. The system is used globally across all CI field and affiliate offices. CI uses Concur for employee expense report submission. Other systems implemented by CI include ADP for US-based payroll and Visual Lease, a cloud-based lease accounting and management software to aid in compliance with lease accounting standards and regulations.

Sub-grants to partners totaled US\$ 66 million or 27% of total expenses in FY23. Grantmaking units follow our grants and contracts policies and procedures as outlined in our global Operations Manual. CI uses a Salesforce application for grant management, called Conservation Grants (CG). CG is used to track all externally awarded grants, manage the review process, track grant disbursements, and serves as a centralized repository for all grant agreements, security screenings, and grantee financial reports. All workflows are fully automated and there is an automated integration with BW. The platform is available to all CI divisions and offices.

CI employs a decentralized model of accounting and operations distributing decision making authority and operational responsibilities to regional and country offices, while maintaining effective oversight and coordination at the global level. CI's country field programs are responsible for implementing programs, managing finances, and complying with local tax and statutory regulations. Each office has its own accounting and operational staff. CI's HQ office sets strategic direction, establishes policies and procedures, and supports and provides guidance to ensure consistency and adherence to organizational standards.

More detailed information may be found on our website www.conservation.org.

Services to be provided

We are seeking a qualified CPA firm with extensive experience with International NGOs, Federal government project funding and OMB cost principles to perform the following:

1. Annual consolidated financial statement audit in accordance with generally accepted auditing standards for the fiscal year ending June 30, 2024 to be completed by December 15, 2024.
2. Federal Single Audit, including preparation and certification of the Federal Data Collection Form to be completed by December 15, 2024.
3. Program audits to be completed throughout the year with differing compliance requirements as stipulated by CI donors. The applicable accounting standards include modified cash basis, US GAAP and/or IFRS. For reference, CI is expecting approximately 20 program audits during FY24.
4. Meetings with the Audit Committee to report the results of the audit(s).
5. Annual 403b audit to be completed by July 15, 2025.

6. Review¹ of IRS Form 990 and 990-T tax services for the fiscal year ending June 30, 2024 to be completed by February 15, 2025.
7. Availability throughout the year to provide information on financial accounting and tax reporting issues as needed.

Recording of final fiscal year financial transactions in Business World is completed in September. The audit fieldwork typically begins in early October. Field office audits may begin in mid to late August or September if recommended. Planning and interim testing may be performed throughout the year as is mutually convenient to CI staff and the firm.

The federal single audit should ideally be conducted concurrently with the consolidated financial statement audit.

Organizational Structure and Key Personnel

CI is governed by a Board of Directors which meets three times per year in February, June and October. Three Committees discuss financial matters – the Finance Committee, the Audit Committee and the Executive Committee.

CI's key staff responsible for audit and compliance include the following:

M. Sanjayan	Chief Executive Officer
Julius Court	Chief Operating Officer
Barbara DiPietro	Chief Financial Officer
Rick Nash	General Counsel & Chief Compliance Officer

Proposal Requirements

Please address the following in your proposal:

Firm Expertise

1. Provide a brief overview of your CPA firm, including its size and location.
2. Describe your firm's relevant experience and expertise in providing audit and tax services to international NGOs of similar size and complexity to CI, including possessing specialized federal awards expertise and understanding.
3. Describe your firm's experience in serving non-profits with international field offices, including developing countries.
4. Describe your expertise in serving non-profits receiving Federal, non-US Government, World Bank and other multi-lateral donors.
5. Provide a list of your firm's current non-profit clients.

Core Service Team

6. Describe the relevant experience and qualifications of members of the core service team. Include client references for the partner and manager, with the name of at least one former client.
7. Discuss commitments you will make to staff continuity year over year, including your staff turnover experience in the last three years.
8. What is the level and manner of involvement that CI can expect from each member of the team? How can CI be assured that staff with international non-profit experience will be assigned to this engagement?

Audit/Service Approach

9. Describe your approach to performing the audit that includes the size of the audit team, phases of the audit and timing of fieldwork. Describe the intended use of any affiliate member firm personnel. Identify the areas that will receive primary emphasis. Please also address your approach to audit coverage of our field offices including any onsite visits and scope and timing of such visits.
10. Discuss your firm's use of technology in the engagement and policies on data security.
11. Describe your philosophy on communicating issues with the Audit Committee and Management.
12. Describe your approach and methodology for incorporating new auditing standards into audit program and level and nature of support your firm will provide to CI to comply with the new guidance.

¹ CI personnel will prepare Form 990 and related schedules for review and filing by audit firm. 990T will be prepared by audit firm with support from CI personnel.

Cost

13. Provide a fixed price estimate, inclusive of out-of-pocket expenses, for the next 3 years ending June 30 with whatever guarantees can be given regarding increases in future years for each of the requested services listed in the above section. Provide separate price estimates for the consolidated financial statement and Federal Single Audit, the 403b audit, preparation of the Form 990 and 990T and related filings, and the per unit cost of the project audits. For the consolidated financial statement audit, please include a breakdown of hours by level of staff on a yearly basis and an hourly fee schedule, by level, for professional staff.
14. Describe if and how you will bill for questions and technical matters as they arise during the year.
15. How can CI staff and resources be used to minimize audit costs?

References

16. Provide at least three references from other organizations with which the proposed partner and manager work that are similar in size and complexity to CI.
17. Describe how your firm is different from other firms being considered, and why our selection of your firm as our external accountants is the best decision we could make.
18. Discuss your independence with respect to CI.
19. Include a copy of your firm's most recent peer review report, the related letter of comments, and the firm's response to the letter of comments.

Evaluation of Proposals

CI will evaluate all proposals on a qualitative basis. Criteria will include:

- Experience with other international organizations of similar size and complexity.
- Completeness and timeliness of your firm's response to this request for proposal.
- Our review of your firm's peer review report.
- Interviews with engagement personnel to be assigned to our engagement.
- Results of discussions with other client references provided.
- Cost effectiveness.

Proposal Due Date and Submission Instructions

Send your proposal to Lisa Mangkonkarn, VP, Controller in PDF format via email at lmangkonkarn@conservation.org no later than 5:00pm EDT on April 15, 2024. Please kindly also let us know if you elect not to submit a proposal. Lisa may also be contacted for any questions or further clarification on any aspect of this RFP.

Timeline for proposal process

- Proposal submission deadline: April 15, 2024
- Proposal evaluation: May 2024
- Final selection and notification: June 2024

The top two or three firms will be asked to present to CI's evaluation committee and selection committee. We anticipate that the presentations will take place at the end of April 2024 in CI's Arlington office.

We look forward to receiving your proposal. Thank you for considering our request.

Sincerely,



Lisa Mangkonkarn
VP, Controller

Enclosed:

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| A) FY23 Audited consolidated financial statements | C) FY23 IRS Form 990 (public inspection copy) |
| B) FY23 Uniform Guidance report | D) FY23 breakdown of expenses by field office books |