



CLARIFICATION#1

FOR

Procurement of Consultant Services for Independent Audit Services (MCA-N/PM/QCBS/016) (ISSUED ON 09 JANUARY 2025)

SN	Reference to the Request for Offers	Questions from Offers	Response of Millennium Challenge Account Nepal (MCA-Nepal)
1.		Request you to please share us the soft copies (word/excel) of Technical/Financial Forms to be submitted if your policy allows.	MCA-Nepal intends to provide the soft copy via separate email.
2.		Is it possible to have foreign citizens (Indian) as Audit Manager/Team member role.	There is no restrictions of including any national as a team member under the RFO. However, please note that the eligibility and conflict of interest criteria as applicable.
3.		Is the accounting firm will only involve the 1 Team Leder & 2 Manager or additional team members required can be added to this assignment?	Please refer to paragraph 9 (page 89-90) of the Section V. Terms of Reference (ToR) of the bidding document for details of the minimum staffing requirement. In addition to the key personnel (1 Team leader and 2 Audit Managers), the Consultant shall deploy the required number of Auditors (with the minimum qualification as mentioned in the ToR) as non-key experts.

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4.		How may accountable entities are there which meets the criteria of the (Accountable Entities Audit Policy & Guidelines for Contracted Financial Audits of MCC of having received US\$ 1 million or more in the FY and requiring audits as per the TOR?	The question is not clear. However, if it is about Covered Providers, there are no Covered providers to be audited.
5.		Which audit firm conducted the audit in the previous year and where we can find the audit report?	This information or other information, if required for future audit, then only will be provided to the successful offeror after the contract award. About past procurements and contract awards please refer to MCA-Nepal's official website.
6.		Does the MCA Nepal have an indirect cost rate or a provision rate for charging costs to MCC? If yes, it is understood that this is also in the scope of the audit. Please confirm.	There is no such practice of using indirect cost rate or a provisional rate for charging costs to MCC.
7.		Can you provide the number of contracts and the value of technical assistance and services (including implementing entity, advisory, or consulting services) were contracted by the MCA-Nepal or the recipient organization from a U.S contractor. It is understood that the audit scope only includes to ascertain that the services were used by MCA Nepal and auditors are not required to audit the costs. This will affect the time to be spent on the audit being the reason for request.	The question is not clear in totality. However, about the value and number of contracts/technical assistance, that information will be provided after awarding the contract. Indicative value of disbursements to be audited is in ToR. Auditor is required to perform the audit as per the ToR.
8.		What are the ERP systems that is used in MCA Nepal for financial reporting and accounting?	SAP
9.		The Beneficial Ownership Disclosure Form (BODF) contains information from page 26 to 29, can we skip to submit this whole packages as it is not applicable (Not Applicable will be mentioned in Annexes 3 of Form TECH -1 Technical Offer Submission Form) or we need to submit	ITO 5.15 states "For all procurements with an estimated value of US\$750,000 and above, the Accountable Entity may use the information on the Offerors' Ultimate Beneficial Owners (UBO) or corporate ownership structure to review if any UBOs are sanctioned or present a conflict of interest. Offerors are

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		the declaration under (ii) of page 27 by signing page 29. Please Clarify.	required to complete and submit the relevant Beneficial Ownership Disclosure Form using for this purpose the form included in Section IV.” As the estimated value of this procurement is below the above-mentioned amount, the Offerors are not required to fill up this form.
10.		Form TECH-4. Experience of the Offeror requires a “Narrative description of the project’s mobilization demands and how your firm managed that mobilization’s administrative, logistical and financial requirements”. What is expected information here?	Brief description about how the offeror managed to complete the assignment of the clients in the past with more details regarding mobilization of resources (human resources, financial and logistics) in order to complete the assignment.