# NGO Repository RFP Questions and Answers Posed by Prospective Host Organizations

As of: May 2, 2008

## Q&A Background and Next Steps

The following comprehensive set of questions was posed by many different organizations that have expressed interest in responding to the NGO Repository RFP. Some of these questions were raised in meetings, during phone calls, and via e-mail.

We thank all of you very much for your careful review of the RFP, submitting these thoughtful questions, and your interest in this important project.

We have made our best effort to answer all of your questions as thoroughly as we can, based on the information that is currently available to us. We hope that our answers are useful to you in preparing your proposals.

As a next step, we now invite all interested parties to attend an open conference call for potential RFP respondents on Monday, May 12, from 12-2 p.m. EDT. **<- REVISED TIME** Call 1-800-771-7760 followed by pass code 170187#. During the conference call we'll do our best to answer any other clarifying questions that you may have.

You can always access the latest project information at: http://www.iaa.com/NGORepositoryFeasibilityStudyProject.html and RFP specific information at http://www.iaa.com/NGORepositoryRFP.html .

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## Bidder Qualifications and Potential Partnerships

1. **The RFP suggests that a repository host could consist of more than one organization. Could a software company provide the development, hosting and ongoing maintenance and another for-profit or nonprofit provide the day-to-day service aspects for repository operations between NGOs and Grantmaker members?**

   Yes. We're open to considering many different complementary partnership relationships. It's very important that one organization be clearly identified as the contracting host organization and that any other organization is identified as an affiliate or subcontractor.

2. **Will the review committee consider a bid from a for-profit entity (vs. non-profit)?**

   Yes, we will.

3. **We are trying to determine internally if we have all the bits and pieces to make a strong go of this proposal. The primary concern is the technology piece.**

   We anticipated that some organizations that were strong on the services and operation might not have all of the necessary technology capacity - and visa versa. For this reason, in the RFP on page 9 we're encouraging complementary partnerships to address this.

   *"The repository host organization would have the option to partner with other qualified organizations (either nonprofit or for profit), as an affiliate or subcontractor with complementary expertise and resources to provide the complete set of required services to implement the repository and deliver all of the necessary services."*

   Some of the international giving service providers as described in [http://www.iaa.com/resources/AppendixC-ServiceProviderResults.pdf](http://www.iaa.com/resources/AppendixC-ServiceProviderResults.pdf) and others have already developed some of the required technology capacity and may be seeking a partner with an organization with complementary strengths. We've also received inquiries from companies with technology expertise who are seeking to identify a partner.

4. **We're looking for a partner to complement our technology strengths. Who are some of the organizations might be our partner that we should contact?**

   It's possible that some of the organizations that currently provide similar information and NGO ED review services would be interested. We identified some of the

organizations in our 2006 survey of service providers as described in:
http://www.iaa.com/resources/AppendixC-ServiceProviderResults.pdf
This is not an all inclusive list, other organizations may now be interested and qualified to bid on this project.

Some legal firms and accounting firms have teams that specialize in international nonprofit law and assist international grantmakers to process NGO equivalency.

5. **Will the names of all organizations who intend to submit and organizations looking for partners in submitting be publicized?**

   All organizations interested in responding to this RFP, either as a host organization or as an affiliate or associate partner, are invited to participate on our May 12, 2008 conference call. All call participants will be asked to identify themselves. This will provide an opportunity to identify other organizations that may be complementary partners and to follow-up with them afterwards.

   The names of prospective host organizations will be made public only after we receive notification of an "Intent to submit a proposal" on May 19, 2008.

## Notification and Proposal Format

6. **Is there a format for the "intent to submit" a proposal?**

   An e-mail message to NGORepositoryRFP@iaa.com or a letter stating this would be just fine. We'll acknowledge receipt via e-mail just as we did with your clarifying questions.

## Repository Content

7. **Can additional information be collected from the NGO, if it is made clear that the additional information is not required?**

   The project's Exploratory Committee recommended unanimously that the repository should focus on collecting and reviewing only the information required for equivalency determination. Consequently only selected data fields as described in the RFP on page 11 would be optional. This may be reconsidered by the repository governing board at some time in future.

8. **Item 12 in Relevant Study Findings and Recommendations - Over two thirds of grantmakers agree to provide information to a central repository with the consent of each non-U.S. based NGO.**

   **Generally, what kind of information would they be providing? Is this historical data or information supplied in an ongoing manner?**

Here's our current concept of how this would work. With the consent of each NGO grantmakers would provide either print or image copies of ED documents that they have received from their NGOs. The NGO would then review these documents online, update them as necessary, and the repository staff would then review these materials and review them for ED eligibility. NGOs would then be asked to maintain this information up-to-date on an ongoing basis, or at a minimum, the next time that they apply for a new or renewed grant.

## Prospective NGOs to be Included in the Repository

**9. What can you tell us about the NGOs who are prospective grantees?**

**Useful data would include:**

- **Anticipated breakout by region/country?**
- **Breakout between small/med/large orgs based in the global south vs. very large umbrella orgs based in Europe? (e.g. Planned Parenthood International)**

**To what degree do the country targets of this funding move dynamically with natural disasters, vs. being planned and predictable (e.g. focused on sub-Saharan Africa)?**

Following are multiple sources data that will be useful to you.

At http://www.iaa.com/NGORepositoryFeasibilityStudyReport.html see Appendix A - International Grantmaker Detailed Survey Results for information about the NGOs that received grants in FY 2005 from the 79 international grantmakers that responded to our survey.

- Q1 in the survey results identifies all of the grantmaking organizations that responded to the survey.
- Q5 in the survey results presents the profile of the survey respondents by organization type.
- Q7 in the survey results describes the ratio of direct international grants vs. those to international grantmaking organizations.
- Q8 in the survey results lists the 91 countries that received grants from the survey respondents.
- Q9 in the survey results describes the frequency of grants to individual NGOs.

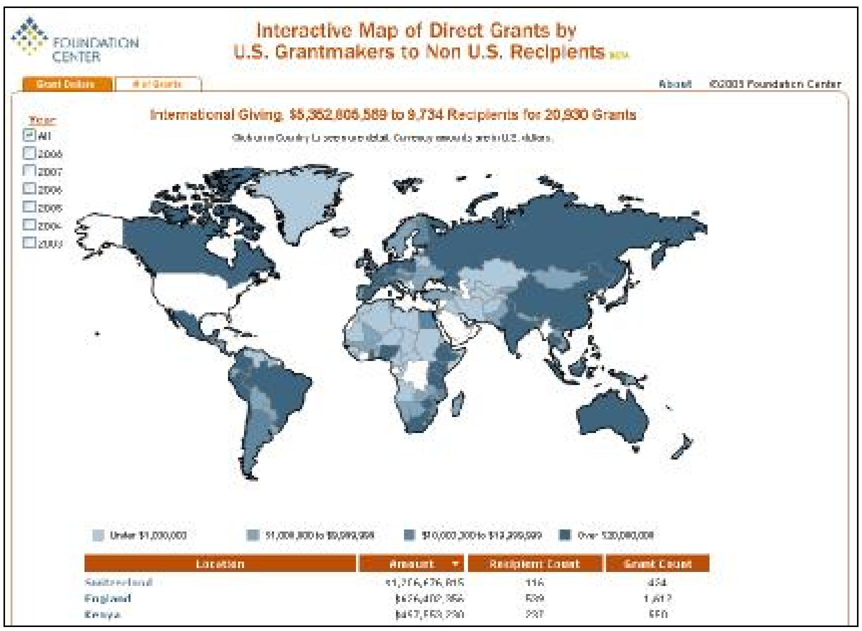
Also see Appendix C - Service Provider Detailed Survey Results Q10 and Q11 for lists of the countries that international giving service providers clients made grants to in 2005.

INTERACTIVE MAP OF DIRECT GRANTS BY U.S. GRANTMAKERS TO NON U.S. RECIPIENTS

In support of this project, the Foundation Center has created a new interactive map showing grants of more than $5,000 made directly to non-U.S. based recipients during the period 2003-2008.

While this does not represent all direct grants made during this period, it provides a picture of giving to non-U.S. organizations. Included are grants reported to the Foundation Center by the foundations themselves or captured from public records. The interactive map represents more than 20,000 grants totaling over $5,000,000,000 awarded to more than 9,000 recipients. The map includes grants from more than 600 foundations.

This map can be accessed at: http://kdg.fdncenter.org/international/IntlDollars.php




Other information about international grantmaking by U.S. foundations can be found at http://foundationcenter.org/gainknowledge/research/pdf/intl_update_2006.pdf

Pages 4 and 5 of this report provide breakdowns of cross-border giving by region of the world.

Also see http://foundationcenter.org/findfunders/statistics/gs_geo_int.html for more international funding data from 1999-2006.

The tsunami in Indonesia occurred on December 27, 2004. Hurricane Katrina struck the Gulf Coast on August 29, 2005. Using the Foundation Center's Foundation Directory Online at http://fconline.fdncenter.org we identified the following pattern of grantmaking to NGOs in Indonesia and to the American Red Cross, National HQ. It appears from this data that direct international grant ED processing volume does not increase with disaster relief programs.

| Year Grant Authorized | Number of Direct Grants to Indonesian NGOs | Number of Grants to the American Red Cross, National HQ |
|---|---|---|
| 2003 | 82 | 106 |
| 2004 | 84 | 223 |
| 2005 | 73 | 1022 |
| 2006 | 47 | 156 |

**10. Has the Advisory Committee considered that the repository set up may favor larger NGOs with more resource for registration and lead to members tending to fund organizations already registered rather than helping capacity build smaller grass roots organizations? Might grants be available to help capacity build?**

Yes, this has been key consideration from the beginning of the project. For that reason we believe that the operational cost of providing support to NGOs should include the necessary staff resources to assist both larger and smaller NGOs. The availability of key explanatory materials in multiple languages will partially address this. Some funders have also expressed interest in possibly providing grants to the repository specifically for capacity building resources.

**11. Will NGOs be able to supply information on their own accord, or only in relation to an invitation from a funder?**

The repository's primary client will be funders requesting ED for their prospective grantees, consequently first priority will be given to these requests. We also envision that direct requests for ED will be possible either from NGOs or supporting organizations. The repository will process these requests as long as the cost of ED processing can be covered.

## Accessibility and Sharing of Repository Information

**12. Is it envisioned that the system will be open to the public for those organizations that have reached ED? For example, could a stamp showing ED status appear next to an organization's records in another database? Or could the public search the repository? Or could data from the repository be transferred to other, searchable databases?**

Although we would like to make all of the information public for free, we need to ensure that the repository will have a sustainable business model to cover the significant cost of assisting NGOs through this process, conducting the ED review, and then publishing this information.

Sustainable organizations that provide similar services have established either a membership and/or subscription fee. We welcome suggestions and will seriously consider alternative ways that this can be realistically accomplished.

External uses of repository data would need to be considered on a case-by-case basis, reviewed by legal counsel, and approved by a repository governing body.

**13. Will any of the data being collected be made public?**

Please see the answer to the question above.

**14. Can any of the data being collected be used for other purposes?**

Please see the answer to the question above.

**15. Who owns the data and can it be repurposed or derivative works generated from it?**

The NGO ED data will not be owned by the repository host organization.
Please see the answer to the question above about derivative works.

## Volume Estimates and Workload

**16. The volume estimates are based on the survey results. While that seems a logical approach to initially determine proportions, is it appropriate for total volume?**

We know that these are rough projections based both on the international grantmakers survey and the Exploratory Committee member survey. It's the best information that we have at this time.

**17. Do the 79 respondents represent the total pool of potential participants or just a fraction of the likely population?**

We believe that this is just a representative sample. Since the survey was conducted in October 2006 we have conducted presentations and met with 100+ international grantmakers. There has been a consistently high degree of expressed interest in the establishment of the repository. We know that a key factor in the volume of membership will be the annual fee. This RFP process will help us to determine this.

**18. When would we expect peaks and valleys in vetting requests? (e.g., lots of requests in advance of foundation 2nd quarter Board meetings)**

We conducted a survey of seven major international private foundation grantmakers serving on our Exploratory Committee. Five reported that ED processing is conducted on a "rolling basis" throughout the year. One said it was after their board meetings, and another described that their volume increases in the 1Q of each year. Based on this small sample group there aren't any high volume periods. This could vary for other types of international grantmakers.

## Operations

**19. We recognize that customer service is expected in languages other than English. Will all the data be collected in English?**

Yes, it is a requirement of the IRS regulations that all ED information and documents be in English.

**20. Do you expect the successful bidder to collect data directly from the NGO's or will data also be made available from foundations who have already collected documentation?**

Please see the last two bullets in the "Core set of essential services" section of the RFP on page 6 and #6 on page 12 that both address this.

**21. Has a "data modification & presentation" scenario been contemplated? Who drives these decisions?**

No. This would be done by the repository host organization in response to the system requirements and the needs of NGO and repository's users.

**22. Would the Advisory Committee consider a model that places the burden for complying with the requirements of the repository on the grantee, rather than the repository manager?**

This cannot be done under the IRS equivalency determination rules.

**23. Would the Advisory Committee consider removing foreign language requirements for the Web site and user support aspects of the repository?**

No. The project's Exploratory Committee was unanimous in requiring that instructions, FAQs and online help be provided in selected common foreign languages to assist NGO staff who may not be native English speakers to prepare and submit the required information to be considered for equivalency.

**24. The RFP requires that "repository staff must be available to provide help desk support to NGOs world wide in their local time zones". Is this in essence a requirement for a 24x7 multi-lingual (with the number of languages "TBD") customer service center?**

There is no need to provide 24x7 support. As described in the RFP on page 6 the host organization will be expected to: *"Provide NGOs with help desk support via e-mail, phone, fax and other means as appropriate."*

The repository host organization could provide support either during some extended hours and/or have a network of regional support organizations in different regions and time zones to provide this support.

This support could either be centralized or decentralized and could be accomplished either by partnering / expanding an existing support network, or establishing one anew.

**25. What level of multilingual capabilities will the repository require?**

Content such as step-by-step instructions, FAQs and online help will need to be provided in the most common foreign languages to assist NGO staff to prepare and submit the required information to be considered for equivalency. Based on Foundation Center statistics from 2006-2008, the non-English speaking countries with the highest volume of grant recipients were China, Mexico and Brazil. All ED submissions must be exclusively in English.

**26. If the NGO uploads documents, then the next year uploads new versions of the documents, would we be required to maintain all previous versions of documents? And would the administrative users want to be able to view past versions of the documents?**

Yes, this would be important for historical, workflow tracking, and auditing purposes.

**27. "The primary means of receiving ED information will be directly from NGO officers. This information will need to be reviewed and updated annually to ensure that it is current." Will each document need to be uploaded annually, or can the NGO attest that certain information has not changed and remains valid?**

Only selected organizational information and document uploads, such as the latest officer (optional) and board/trustee members (optional), plus financial information would be need to be updated each year. Otherwise an acknowledgement by an NGO officer that the other information is unchanged would be sufficient.

**28. If OFAC vetting services could be provided, would the committee be interested in the RFP addressing them?**

No, for the reasons describe on pages 7 and 19 of the RFP.

## IRS and Regulations

**29. Since the IRS considered such a repository some time ago (page 8) are they backing or considering backing the repository financially?**

No. We've been advised that when the IRS considered a repository about fifteen years ago, it was assumed that if such a repository was established that it would be done by the philanthropic sector, not the U.S. government. This is still the case.

**30. Has the IRS indicated they might accept or consider accepting registration with other regulatory bodies e.g. Canadian Revenue Agency, Charity Commission England & Wales, Scottish Charity Regulator in lieu of some documentation, hyperlinks (RFP pg 15) could greatly reduce duplication of information?**

There is precedent for this given the US-Canada Tax Treaty whereby a Canadian charity is deemed equivalent by the U.S. government as being a U.S. 501(c)(3) charitable organization. However this does not currently apply for U.K. regulatory codes as described above. We have not discussed this with the IRS.

If it was determined that there was substantial overlap in the documents and information required by the U.K. agencies (and any other country's charity commission type agency) and the IRS requirements for equivalency determination, then this could significantly streamline the process of collecting this information from NGOs.

**31. Is there an indication from the IRS that expenditure responsibility might be required for funding considered/given above a certain level?**

This is not part of the current IRS regulations and we are not aware that this is either being considered or proposed.

**32. Under the section "Guidance from the IRS…" the list under "seeking answers…" seems to have some statements rather than questions. The most important of these is the fourth bullet, "No need for information verification". Is there still some question about this requirement, or are you saying that this is in fact this case?**

We've been advised by our legal counsel that there is no IRS requirement for information verification. Treasury Reg. Sect. 53.4945-5(a)(5) permits the grant making foundation to rely on an appropriate affidavit of the grantee organization without further investigation.

**33. "Ongoing awareness of current IRS regulations and nonprofit law in foreign countries." Since equivalency is solely dependent on U.S. law, what is the level of knowledge that would be expected of other countries?**

Awareness of nonprofit law in other countries will be very helpful in determining U.S. equivalency. For example, national standards for designating an NGO as a charity often differ from the U.S. requirements. Knowing exactly how they are similar and different can facilitate the ED information gathering and review process.

## Liability and Legal Issues

**34. Has the IRS indicated what liability the host organization would have for making a "good faith determination" which was followed and the beneficiary organization subsequently found to be misusing funds or have terrorist links?**

Section 4945 of the Internal Revenue Code and Treasury Reg. Sect. 53.4945-5 protects both the repository and the donor if a "good faith determination" has been made. An exception would, for example, be if there was collusion between the repository and/or the funder and/or the NGO. If, following a "good faith determination" an NGO was found to be misusing funds, then the funder would be required to attempt to recover the donated monies.

Please note that as described on pages 7 and 19 of the RFP, the repository will not be conducting any OFAC vetting for either anti-terrorist or money laundering. Such vetting will continue to be the responsibility of each grantmaking organization. As described in the RFP starting on page 11, the repository's responsibility will be to determine if the NGO has met IRS' ED credentialing requirements.

**35. What will be the liability of the repository in making determinations?**

Please see the answer to this similar question above.

**36. What legal protections will participating foundations have in relying on the determination of the repository?**

As described in the RFP on page 10, we will seek approval from the IRS so that a *"Good faith determination" of equivalency using the repository's standards by repository staff can be used on behalf of individual grantmakers*. We believe that this will provide the necessary legal protection for grantmakers and the IRS has informally confirmed that conclusion. We plan to seek the confirmation of this in our ruling request to the IRS.

**37. What entity would the vendor enter into a legal agreement with?**

This is an important question that we are currently in the process of addressing.

## Technology, System Design and Development

**38. Have any members of the Advisory Committee or others indicated they would consider funding open source technology?**

The use of both commercial and open source technologies would be considered.

**39. Will it be possible to require the repository to provide a background XML handshake in real-time between other commercial grants management and employee giving systems? This might already be implied in items 20 and 21 under the Technical System Requirements.**

Yes, the use of XML as the data transmission standard is what we propose for system interoperability. However, it may not be in real time for operational reasons.

**40. Regarding internationalization, please explain font and currency independence.**

We want to ensure that the repository's Web-based screens will be designed and tested to display character sets, currency symbols, date/time formats as selected and configured in NGO users' supported browsers.

**41. "Online Web-based tool with step-by-step instructions in multiple supported languages to create and maintain up-to-date financial reports in a standard format with the capability for the grantseeker to automatically convert foreign currencies to $US." Most financial statements are supplied via a PDF. Is the assumption that these would need to be converted to Excel?**

If an NGO's existing financial statement is in $US and it meets all of the ED requirements then they can be submitted in PDF format. But if an NGO needs to convert the statement into another format and/or convert all of the currency amounts to $US, then the repository's online Web-based tool could be used for this purpose.

**42. Define the protocol(s) that must be supported for handheld cellular devices.**

This is evolving with the growing use of handheld cellular devices to access the Internet in countries worldwide. At a minimum, it should enable NGO staff to receive e-mail notifications of ED requirements on their handheld devices.

The repository host organization will need to stay abreast of technological developments in this area and determine what devices and standards are most commonly used by the key NGO contacts that will be submitting ED information and communicating with the repository. As the capabilities of these devices grow in the future additional functionality will need to be provided. The systems will need to be designed to support this.

**43. Does the requirement to store repository data in a non-proprietary database file format rule out storing the data in a commercial search engine?**

No, as long as the security of the data can be assured and that in the future all data and document images can be easily migrated to a successor system.

**44. Up-to-date and tested disaster recovery plan." Will there be the requirement for a parallel "hot site"? What will be the minimum required recovery time period?**

There is no requirement for a hot site or a minimum recovery time period specified in system requirements. However, we would certainly expect that the system will be designed using industry standard technologies such as server farms, hot swappable drives, redundant power supplies, on-site availability of selected spare parts, and contractual guarantees (e.g. per hardware support agreements) that failed components can be replaced in a timely fashion. There will certainly need to be a service level agreement (SLA) that will specify a mutually acceptable and cost effective minimum recovery time.

**45. What is the accepted window for data lost due to a disaster?**

This has not yet been considered and therefore not specified in the RFP. There is no requirement of continuous real-time data backup.

**46. What would be the requested development time to implement this project once decisions on winning bid are finalized?**

Our goal is to have the repository operational within 24 months of the selection of the host organization. However, this will depend on many variables that will include but not be limited to the host repository's project and business plan, IRS approval of the repository, contracts, and acquisition of the funding and pledges necessary to begin the project.

**47. What is the timeframe to have the system up and operational?**

Please see the answer to the question above.

48. **Who will own the system's intellectual property?**

The ownership of the intellectual property for the operational system will need to be discussed and contractually agreed upon. These terms could differ if, for example, the repository is an extension of an existing commercial system, an extension of an existing open source system, or if it is a custom system built from scratch.
There must be a viable succession plan to ensure the continuity of the repository independent of any single organization.

The NGO ED data will not be owned by the repository host organization.

## Host Organizational Structure and Governance

49. **Are you proposing that the repository will be managed by a yet to be created 501(c)(3)?**

This is one of the possible options.

50. **Would this new entity have a management contract with the successful bidder?**

The repository host organization may or may not be a new entity. To receive funding the host organization will need to make a contractual commitment to provide all of the agreed upon services.

51. **Will the successful bidder have a role in governance or be an arms length vendor?**

We expect that repository's senior management and the repository governing body will work together to make key decisions that are responsive to the need of the member organizations and NGOs.

52. **Will the Advisory Committee consider governance structures other than those proposed in the RFP?**

Yes, we're a genuinely interested in considering different options. We invite you to describe them in your proposal and what you consider to be the strengths of each.

53. **With respect to the governance language, would the winning bidder's board serve as the repository governing body, or would another independent body be required?**

An independent repository governing board will be established to ensure that standards are met, that operations and systems run well, that a high level of service is provided to grantmakers and NGOs, and that the repository is financially viable. It may be desirable for a member of the hosting organization's board to co-serve on the repository governing board.

**54. If the repository will be governed by an independent body, then to what extent could the winning bidder expect to benefit from the work done by the "repository staff", i.e. intellectual property development, IT systems development, etc?**

Each organization will need to determine for themselves what benefits hosting the repository will provide, and how well it will contribute to the organization's strategic direction and core mission.

## Repository Fee Structure

**55. With 10 prospective participants at start up, but with a fully operational system required, the operating costs per participant could be high. Should the proposed fee structure assume more participants in the future? How many and when?**

Please assume repository growth beyond 10 startup launch partners. We recognize how difficult this is to project. As with any new operation of this sort it's likely that volumes will be lower in the beginning and increase over time. Consequently it's important that prospective host organizations develop systems and staffing that are carefully designed to grow and scale over time. There may also need to be a minimum number of startup members to launch the repository.

We recommend that for financial planning purposes, that you do the following as described in the RFP on page 24:

*Please include five-year projections for the following three scenarios:*

- *One should be based on the most likely course you think that the repository will take*
- *A second weak scenario with membership and revenues coming in well under expectation*
- *A third good scenario with projected membership and revenues well over expectation*

**56. Is the fee structure proposal really intended to be based on 10 launch partners and an undetermined growth rate? With such limited data, how can respondents be expected to produce a fee structure that isn't either a) unreasonably expensive or b) so lean that capacity is insufficient to support significant volume?**

Please see the answer to the question above.

**57. Will the fees for foundation participants be determined by the governing board?**

This would need to be determined jointly by the repository host organization and the governing board to ensure the ongoing financial sustainability of the repository.

**58. Does Information Age Associates have an indication from prospective member organizations of tolerance levels for membership fees or any information on discussion of fee levels by usage?**

No we don't yet, but we're in the process of benchmarking the actual cost that international grantmakers are incurring to process new ED and renewing them in subsequent years.

## Business Model / Financial Projections

**59. We're not sure of the best way to project the total cost. We're more confident in estimating time and cost in the early phases of the project, but less so for later phases. How should we address this in our proposal?**

We suggest that you describe an estimated low-high range of cost in each project phase, describe your process and basis for developing these range estimates, and specify the known variables that will impact this.

**60. We're considering multiple alternative operational and information dissemination models that have different cost and revenue generating implications? How should we address these in the proposal?**

We invite you to describe these models for our consideration. When doing so please highlight what you believe to be the potential benefits, obstacles, costs, risks and costs of each. This will help us to make an informed decision about which one or combination might work best of all.

**61. One question I had, which is often provided for internationally-oriented RFPs is whether there is a budget range that has been determined by your organization? It would be easy to over-scope this.**

No budget range has been established for this project. Rather, we've provided detailed repository requirements so that RFP respondents don't over or under scope the needed services and systems. As described in the RFP on page 24, section 14, we request that in the proposal that you "Clearly identify all assumptions." This will enable us to develop a more complete understanding of the scope of each proposal and to work with the selected finalist to make adjustments as necessary.

62. **Since the proposal asks for how to make the repository sustainable, is the Advisory Committee assuming that the start up will need to be subsidized with funding besides fees? If so, how much and by whom?**

    Yes. As described in the RFP on page 9:

    *"The project Advisory Committee will work with the selected repository host organization to seek grants for startup funding for the repository's development and implementation of sustainable operational systems and services."*

    So please provide a detailed description of the required level of startup funding.

63. **What are the long term funding prospects? Operating fees from the initial 10 have to cover operating expenses AND provide contingency funding for planned and unplanned technology upgrades of the hardware as well as software.**

    It's important that your financial plan includes all of the necessary monies for both planned technology upgrades and reasonable reserves for unanticipated expenses.

64. **Have marketing expenses been considered? This will have to have an active outreach component to ensure the database is as complete as possible to add value to the users' experience for the 11th thru XXX foundations evaluating participation.**

    Yes, this will be important and would need to be included in the project budget. Based on the feedback that we have been receiving from international grantmakers, we believe that many other grantmakers will choose to become members.

    You may assume that the four Advisory Committee organizations will work with the host organization to publicize the availability of the repository to their members.

65. **What guarantees, if any, will the Advisory Committee make to the repository manager that, at worst, the repository manager will do no worse than break even?**

    Sorry, no guarantees. This is why it's important for RFP respondents to develop realistic cost estimates for all of the development and ongoing operational and support services. To mitigate risk, you may want to identify such things as a minimum level of launch partner members and processing volume for a sustainable "lift off".

66. **What would be the anticipated level of business insurance that the vendor would be required to carry?**

    We recommend that you consult with your legal counsel to determine this.

**67. How is this project affected if grants cannot be obtained to fund the set-up of this database/service?**

The lack of any startup grants would probably prevent the repository from being established. However, based on the level of project support by multiple funders to date and the expressed interest of others, we have reason to believe that that this is unlikely.

If a host organization or their partner has an existing system and services that can be enhanced to meet our key requirements then it may be possible for the repository to launch with smaller startup grants.

**68. Does the Advisory Committee anticipate subsidizing the operating expenses until volume increases?**

The Advisory Committee member organizations don't have any funds for this purpose. However, we'll assist the selected host organization to solicit startup support to develop the necessary systems and possibly monies to subsidize operating expenses for a limited period of time from launch partner members and other grantmakers. This needs to be fully described in your business plan. It's very important that there's a realistic plan for the repository to become self sustaining in a reasonable period of time.

**69. "Independent annual audits will be conducted and cover finances, operations, data completeness and accuracy, plus information and system security." Who would be responsible to pay for the audit?**

The repository host organization will need to budget for these costs.

**70. Will there be required background checks of the vendor staff working on this project?**

This has not been considered as a requirement to date. Consequently it should not be proposed or budgeted for your proposal.

## Unknowns

**71. There are a number of unknowns, for example the open issues noted on page 9 of the RFP, (e.g. GAP financial reporting translation method, will affidavits be required, will racial discrimination statements be required), and additional requirements which may be generated in the course of IRS review and to get a letter ruling.**

**How do you want bidders to address these unknowns? Are bidders supposed to make allowances in their proposals to cover these unknowns or bid on the known requirements and expect to negotiate change order requests as new requirements are developed? (i.e., anticipate a "phase 2")?**

For the purpose of the proposal, please bid on all of the known requirements and clearly specify and list all things that are not included.