

TERMS OF REFERENCE FOR PREPARATION OF HUMAN RESOURCE & FINANCE AND ACCOUNTING POLICY MANUAL

I. BACK GROUND

II. SCOPE OF WORK FOR CONSULTANTS

The Common/Combined Management Unit (CMU) formed under the ministry of National Health Services, Regulations and Coordination (M/o NHR&C) is managing the Global Fund grant (TGF) for AIDS, Tuberculosis and Malaria (ATM). The CMU is seeking professional services from reputable consultants to submit proposals for the design and development of its Human Resource & Finance and Accounting Policy Manual referred to as "The Manual". The objectives, detailed scope, timelines and other terms for the assignment are outlined in the sections below:

III. OBJECTIVES OF THE ASSIGNMENT

The objective of this assignment is to review the existing procedures with the view to strengthen the Human Resource & Finance and Accounting systems in the organization so as to ensure that:

- Consistent and uniform accounting policies are followed by the various departments within the organization.
- There is a clear delegation of responsibility matrix available.
- Processes are in line with International Financial Reporting Standards (IFRS)
- Processes are in line with other statutory requirements.
- Efficient, accurate processing and accounting of transactions with adequate controls are in place.
- A process-based approach is followed to identify, account and monitor grant receipts and expenditures.
- A proper fixed assets register is kept at all times and that these assets are tracked and secured.
- A proper process is in place related to the acquisition and disposal of assets in accordance with donors' guidelines.
- Comprehensive HR Policies and Procedures
- There are detailed roles for all functions, with job descriptions and job profiles for each position
- There are essential and desirable competencies and skills for each position
- A payroll processing system is in place.

IV. SCOPE OF SERVICES

The scope of services would inter-alia include:

Review of existing Human Resource & Finance and Accounting procedures to include the accounting and financial management software currently in use.

Developing policy manuals for the following functions:

1. Finance and Accounting
2. HR and Payroll Operations
3. Cash Management
4. Fixed Assets acquisition, update, maintenance, security and disposal
5. Budgeting for all departments

Staff training to ensure that the procedures as set out in the Manual are understood and can be carried out in line with the organization's expectations

Detailed sub activities to be covered in the above processes inter-alia includes:

1. Finance and Accounting – shall include but not limited to the following areas:

- Cash and Bank Accounting
- Receipt Accounting
- Expense Accounting
- Procurement and warehouse Accounting
- Management Accounts – monthly reports with prior period comparisons

2. HR and Payroll Operations – shall include but not limited to the following areas:

- Comprehensive HR Policies and Procedures
- Job descriptions and profiles for each position with essential and desirable competencies and skills
- Accounting for Employees' Remuneration and Benefits including vacation pay and Gratuity
- Payroll processing

3. Liquidity Management – shall include but not limited to the following areas:

- Treasury Management (Fund Planning & Management, Treasury Related Accounting).

4. Cash Management

5. Fixed Assets Policy

- Fixed Asset Accounting
- Physical verification of Assets and Storing

6. Budgets and Budgetary Control Policy – budgetary system prescribing the following:

- Roles and responsibilities for preparation of budget estimates and budget revision.
- Budget heads and linking with the account codes.
- Budget compilation, finalization, approvals and monitoring process
- Budget formats
- Appropriation and re-appropriation policy of budget estimates
- Budget monitoring reports to be generated (to be part of Financial MIS)
- Interface with the financial management and accounting system.

7. Financial Management Information System - Financial MIS, prescribing the following:

- Objectives
- Types of Reports
- Formats
- Frequency
- Distribution
- Responsibility for preparation
- Source of data

8. Revised Chart of Accounts so that it fully covers all aspects of the organization's operations

The Human Resource & Finance and Accounting Policy Manual shall also cover the following aspects:

- Accounting policies
- Key accounting controls
- List of HR documents /records to be maintained
- Formats of the accounting documents/ HR records.
- Procedure for compliance with all statutory provisions.
- Guidelines for the preparation of annual audits.
- Closing Guidelines for finalization of Annual Accounts

Implementation of International Financial Reporting Standards (IFRS) accounting only as it relates to the operations of development sector organization and accounting requirements applicable to the same.

The Manual should be prepared keeping in view compliance to statutory obligations/provisions; various accounting and auditing standards issued by IFRS, as well as the approved policies of the organization.

V. TRAINING AND IMPLEMENTATION SUPPORT

The consultants would be required to affect a training programme for CMU Human Resource & Finance and Accounting staff such that they would be proficient in all aspects of the Manual. The consultants would describe in detail the manner in which training would be provided.

VI. OTHER ASPECTS

The CMU shall make available to the consultant office working space and all internal office policies, circulars, manuals etc. necessary for review and for timely completion of the Manual.

The Manual shall cover the activities performed by the Human Resource & Finance and Accounting Department including interfaces with other departments.

VII. TIME FRAME

The CMU requires that this assignment be completed with signed copies of the Manual submitted to the CMU no later than three (3) months from the date of execution of the contract.

VIII. ELIGIBILITY CRITERIA FOR CONSULTANTS

The consultant should be a professionally qualified individual or a professional firm and have been providing related consultancy services for a minimum period of ten (10) years.

The following eligibility criteria are mandatory, non-fulfillment of which will lead to disqualification of the bid:

- i. The consultant should have experience in providing advisory services across a range of services in the area of Human Resource & Finance and Accounting information systems, including design, development and implementation of manuals as well as knowledge of related software. The consultant should have experience in providing consulting services in the field of design and

development of Human Resource & Finance and Accounting manuals as well as knowledge of related software.

- ii. The consultant should submit a complete profile of the firm to include CVs of the lead partners or in the case of individuals, details of qualifications as well as reference of related assignments that they have completed.

IX. CONFIDENTIALITY

All deliberations relating to preparations of the Manual including all information collected from various meetings/documents, primary & secondary data etc. shall be kept confidential and shall not be divulged to any third party either verbally or in writing or in any other form.

X. PRICE BASIS

Lump sum price inclusive of service tax and other applicable taxes, duties and levies etc. is to be quoted for the preparation of the Human Resource & Finance and Accounting.

XI. PAYMENT TERMS