

# TERMS OF REFERENCE

for

## Preparation of Joint Direct Funding Arrangement (JDFA) Manual.

### 1 Introduction

The draft Aid Management Policy of the Ministry of Education recognizes that different Development Partners are at different stages of cooperation and harmonization, ranging from a project mode over programmed support to the pooled funding modality described in the SSRP Joint Financing Arrangement.

The Ministry's Aid Management Policy seeks to facilitate a gradual process of increased alignment, harmonization and integration of aid that is compatible with the current policies, rules and regulations of individual Development Partners; but also seeks to challenge the current situation and cooperation modalities by describing a vision for how the cooperation should develop and where it should be by 2015.

During 2010, the Ministry will seek to implement the Aid Management Policy through initiatives like the official endorsement of the "One-Door-Only" policy and the development of a Joint Direct Funding Arrangement (JDFA) aimed at increasing the alignment and harmonization of the aid made available outside the Government's Red Book system by introducing practical and transparent mechanisms for improved coordination, alignment and results-orientation as well as reduction of the Ministry's costs of administering development assistance provided outside the Red Book system.

The Ministry of Education and the Development Partners that will provide support through the JDFA considers results-based management principles, financial transparency and full accountability central elements of good governance. Sound financial management is viewed as important in ensuring that the resources made available are used for the agreed purpose and that it through sound financial management and monitoring practices will be possible to assess whether the chosen strategies to achieve the agreed purpose delivered the expected results and were cost-effective in doing so.

A practical and results-oriented JDFA Manual, when implemented, will be instrumental in achieving these objectives. It will provide the JDFA Steering Committee and its Secretariat with:

- a) A practical guide on the overall operational management process of the JDFA;
- b) Accurate and timely physical and financial progress reports; and
- c) A system for controlling and monitoring the use of funds and other assets provided through the JDFA.

The Ministry of Education expects to be able to present an advanced draft of the JDFA Manual that is in keeping with these intentions at a first JDFA Steering Committee meeting in February 2010. A practical JDFA Manual, prepared in keeping with the values, principles and instructions detailed in these Terms of Reference will be crucial in mobilizing support for the JDFA and in making it operational.

### 2 Objective

The objective of the assignment described in these Terms of Reference is to contribute to the efficient and cost-effective utilization of the resources made available under the JDFA.

This objective is expected achieved through the JDFA Steering Committee's endorsement and implementation of a JDFA Manual that will include a set of practical planning, management and monitoring tools that will allow the Steering Committee and its Secretariat to manage the resources made available through the JDFA in an efficient, transparent and cost-effective manner.

The relevance, practicality, timeliness and general quality of the outputs to be delivered under this assignment as well as the successful development and handing over of a communication and training programme for implementers is critical to the achievement of the above objective.

### 3 Output

The main output to be produced during this assignment is a: **Joint Direct Funding Arrangement (JDFA) Manual**, containing a description of the management and organizational set-up of the JDFA as well as practical operational guidelines for the planning, implementation, monitoring of and reporting on activities funded under the JDFA.

The Manual is expected include four major components targeting different functions and target groups, namely:

- a) Planning, implementation, monitoring and reporting sub-manual; targeting staff at the implementing agencies and aimed at ensuring that proposals submitted for support under the JDFA adhere to basic principles of results-orientation and are implemented and reported on in a structured and logical way that will allow the Steering Committee to assess progress and carry out their management oversight responsibilities.
- b) Financial management and accounting sub-manual; targeting the Secretariat's finance staff assigned with budgeting, bookkeeping, accounting, and general financial management responsibilities and aimed at ensuring that principles of accountability, transparency and results-based management are integrated with the accounting rules and procedures, and the general system for financial management and reporting.
- c) Administration and operations sub-manual; targeting the Secretariat staff in general and the assigned Office Administrator in particular and aimed at ensuring a smooth functioning of the Secretariat and transparency and accountability in the norms, rules and procedures followed in the administration and operation of resources made available through the JDFA.
- d) Procurement sub-manual; targeting primarily Secretariat staff involved in procurement activities, and secondly concerned staff in implementing agencies responsible for working with the Secretariat in carrying out procurement activities.

In addition to the JDFA Manual with its four sub-manual, the Consultant will develop and test awareness and training modules covering each of the sub-manuals and aimed at ensuring that the target group for each of the sub-manuals have the knowledge and skills required to ensure the smooth implementation of the sub-manuals.

The sub-manuals and the awareness and training modules for these will be tested in real training situations with 20-24 Secretariat staff and selected staff of the concerned implementing agencies. The test itself will serve as an opportunity for the Consultant to seek feedback on the documents and training programmes prepared before finalization.

#### **4 Scope of activities**

Working for the JDFA Steering Committee with its Secretariat (ESAT and FACS staff) and the assigned Management Group, the consultant is expected to:

1. review the current Direct Funding Manual, approved by the Steering Committee on December 15, 2006
2. develop a practical guide for the planning, implementation, monitoring of and reporting on the use of funds and results achieved under the JDFA, including practical illustrations, templates and forms.
3. develop a financial management and accounting manual which details the new chart of accounts to be used, the financial management and accounting system, rules and procedures to be followed in the management of the funds under the JDFA.
4. develop an office administration and operations manual which describes the administrative and operational procedures, rules and regulations in use in the Secretariat (ESAT), including norms and the terms and conditions of service for staff.
5. develop procurement manual which details all the various cycle of the procurement process with dates (i.e. preparation of results-based TORs, advertising, short listing, evaluation of bids, preparation of contracts, negotiations, contract awards, etc.) based on the national procurement rules and guideline. Prepare sample formats for TOR , Bid documents and other relevant formats based on the national procurement rules and guidelines
6. develop, test and finalise sub-manual awareness raising and training programmes (one for each of the 4 Sub-Manual) targeting different Manual user group, and aimed at ensuring that these user groups are equipped with the knowledge and skills necessary to ensure a smooth implementation of the resources made available under the JDFA

Progress in carrying out the above activities and delivering the specified outputs will be monitored by the assigned Management Group that will establish a process for regularly assessing progress in general and with regard to the following deliverables:

1. Work plan for the entire contract period, demonstrating how the Consultant, following a logical work process, intends to deliver the outputs within the agreed timetable;
2. The JDFA Manual with its various integrated parts (Sub-Manuals), i.e.  
Planning, implementation, monitoring and reporting sub-manual;  
Financial management and accounting sub-manual;  
Office administration and operations sub-manual; and  
Procurement sub-manual.

3. Awareness raising and training modules for each of the above four sub-manuals targeting relevant personnel to be trained in order for the JDFA to function in a smooth manner;
4. Test training for relevant personnel and partners as communicated to the Consultant by the assigned Management Group.

## **5 Team Composition**

### The Ministry of Education

The Ministry of Education will make available a Management Group, comprising three senior officers who are familiar with the earlier Direct Funding arrangements, the overall goals of the education sector as well as pertinent issues related to the implementation of the Ministry's aid management policy in general and the strategies for increase alignment and harmonization in particular.

The Management Group's main responsibility will be to provide guidance to the Consultant, carry out quality assessments during the assignment, and in general ensure that the Consultant receives timely feedback and information so that all outputs will be delivered in time and meet the quality requirements of the Ministry. The staff members assigned to the Management Group for this assignment are:

Dr. Lekhnath Paudel, Under Secretary, Foreign Aid Coordination Section (FACS)  
Mr. Yograj Pokhrel, Under Secretary, Finance Section  
Mr. Frank Jensen, Chief Technical Adviser

### The Consultant's Team

The assignment will require a high level of technical competence on logical planning, financial management, office administration, accounting and procurement management system as well as experience in designing and developing logical and results-based planning and information management systems for the public sector and development partners.

Thus, in general the Consultant's Team should have:

- University degree in economics, financial management, accounting, public administration or a related discipline;
- Demonstrated experience in the administrative procedures, norms, rules and regulations for implementation of Government of Nepal development activities;
- Demonstrated experience in procurement of goods and services in the public sector, following Government of Nepal's procurement rules and regulations or international agencies, in particular the World Bank;
- Demonstrated experience with the application of logical framework approach to development planning and the application of results-based principles to planning, implementation, monitoring and reporting of progress and impact of development activities;
- Minimum 5 years of practical or managerial experience in administration, including procurement management;
- Thorough knowledge of procurement rules and procedures of the Government of Nepal;
- Prior experience in preparation of administration and procurement manual for national programs, based on Government of Nepal rules and regulations;

- Computer skills;
- Excellent written and oral English; and
- Ability to meet tight deadlines and to work effectively under pressure

The Consultant is expected to assign proven, highly experienced and professional personnel for the positions described below.

The team positions and the academic qualifications, general- and specific experience, and other qualifications described below reflects the Ministry’s assessment of what represents a balanced and competent team that will be capable of successfully carry out the assignment within the given timeline. The descriptions provided below will be used during the evaluation of received proposals taking into consideration the balance of the team as a whole as well as the documented experience, competencies and skills of each of the suggested team members vis-à-vis the position requirements.

<b>1</b>	<b>Financial Management Expert (FME)</b>
1.1	<p><u>Position:</u> Team Leader</p> <p>The purpose of the FME position is partly to ensure that the team as a whole is managed effectively during the assignment and that the outputs are delivered in time and in accordance with the required quality; and partly to ensure that the Consultant’s team possess the required technical knowledge, experience and skills in the fields of results-based financial management in general and accounting in particular.</p>
1.2	<p><u>Academic qualifications:</u></p> <p>A Chartered Accountant or a minimum of a master’s degree in a relevant field such as economics, financial management, accounting is required.</p> <p>PhD. degrees in other fields, not directly related to the assignment, will not be considered an advantage during evaluation.</p>
1.3	<p><u>General experience:</u></p> <p>A minimum of 10 years of professional experience working with financial management, accounting and auditing, including results-based budgeting and accounting, procurement of supplies, works and services.</p>
1.4	<p><u>Specific experience:</u></p> <p>The ideal candidate will have documented practical experience from a minimum of 3 similar assignments preparing manual, guidelines and training modules aimed at introducing results-based management principles in the planning, implementation, monitoring and evaluation of development activities as well in administration and operational functions.</p> <p>The ideal candidate will be familiar with the Government of Nepal’s administrative rules and regulations in general and with regard to public procurement in particular.</p> <p>The candidate for this position is expected to have documented team leader experience, preferably from similar assignments, as well as proven English communication and report writing skills.</p>
1.5	<p><u>Other qualifications:</u></p> <p>The Team Leader will be expected capable of delivering high quality services within agreed deadlines and to do so working under pressure. Analytical skills, objectivity and an ability to handle stress and maintain a clear overview of tasks and delegate assignments to team members will be essential.</p>

<b>2</b>	<b>Public Administration Specialist (PAS)</b>
2.1	<p><u>Position:</u> Deputy Team Leader</p> <p>The purpose of the PAS position is to ensure that the Consultant’s team has adequate knowledge of and practical insight into the Government of Nepal’s administrative rules and regulations, including the norms in use for the planning and implementation of development activities.</p>
2.2	<p><u>Academic qualifications:</u></p> <p>A minimum of a master’s degree, preferably in Public Administration or a similar field complemented with the completion of professional courses in the field of management. A Ph.D. in education sector planning and/or management will be considered an advantage. PhD. degrees in other fields, not directly related to the assignment, will not be considered an advantage during proposal evaluation.</p>
2.3	<p><u>General experience:</u></p> <p>A minimum of 10 years of practical working experience from the education sector, preferably with at least 5 years of ‘hands-on’ experience working with the implementation of development activities, thereby providing a detailed insight into the current Government of Nepal norms, rules and regulations in use during the planning and implementation of development activities.</p>
2.4	<p><u>Specific experience:</u></p> <p>The ideal candidate will have practical experience from earlier assignment assessing the administrative norms, rules and regulations in use for the implementation of development activities as well as for the procurement of goods, works and services using the Government of Nepal’s procurement procedures, rules and regulations.</p> <p>Documented experience with results-based management principles in the planning, implementation, monitoring and reporting of development activities will be considered an advantage. Prior practical experience from developing and implementing a administration and procurement manual based on Government of Nepal’s system in a reasonable sized organisation or for a development project/programme will be considered an advantage.</p>
2.5	<p><u>Other qualifications:</u></p> <p>The ideal candidate for this position will be familiar with other on-going efforts for developing capacity for improved service delivery in public sector organisations in Nepal, including the efforts on the part of the Ministry of Finance and the National Planning Commission with regard to introducing results-orientation and client responsiveness.</p>

## 6 Inputs

Based on the requirements specified above and the proposed team composition, the Ministry of Education assess that the assignment will required an input of 60 person days distributed as illustrated in table 6.1 below.

**Table 6.1: Summary of total person days input by position**

#	Position	Days
1	Financial Management Expert (TL)	30
2	Public Administration Specialist	30
	<b>Total input in person days</b>	<b>60</b>

The Consultant is welcome to present a different team composition and a justified alternative distribution of workload between the different positions based on the exact qualifications, skills and knowledge of the proposed candidates for each position.

A redistribution of person days between the above positions, as well as the possible suggestion of other and/or more positions, need to be presented in a summary form as in table 6.1 above together with detailed explanations for and background to the presented alternative solution.

Variations that are not properly explained and convincingly justified with a view to either deliver the outputs ahead of schedule, reduce the total number of person days required, and/or improve on the quality of specific outputs will not be considered.

## **7 Reporting**

Formally, the Consultant will report directly to the Head of the FACS.

All the first and final drafts of the JDFA Manual and the four training modules will be submitted in hard and soft copies. All reports are to be submitted to the head of the FACS with a copy to the Secretariat (ESAT).

The Consultant will agreed with the assigned Management Group on the dates, timing and venue for holding regular progress meetings during which the Consultant will present progress till date and upcoming activities while also seeking the management Group's feedback on emerging key issues to be addressed.

## **8 Timeline**

The assignment is expected carried out by two experts assigned by the Consultant and meeting the profiles detailed above.

The assignment is expected to start during the third week of January 2010 and be completed by end of February 2010. A total of 60 working days has been estimated required to successfully complete the assignment. The Consultant, through the assigned Team Leader, will not be expected to undertake travel outside the valley.