

# **UTTARAKHAND HEALTH SYSTEMS DEVELOPMENT PROJECT**

Implemented by Uttarakhand Health and Family Welfare Society

## **TERMS OF REFERENCE CONSULTANT-FINANCIAL MANAGEMENT**

### **1. Introduction**

Uttarakhand Health Systems Strengthening Project (UKHSDP) is conceived as a strategic initiative to enhance people's access to quality health care services in the state of Uttarakhand. The project seeks to support Uttarakhand in improving access to quality health services and in providing health financial risk protection. Specifically, the project would focus on improving access to health services for the predominantly remote population of the state, through strengthening public and private health-delivery systems; promoting greater stewardship and managerial capacity in the state directorate; improving information systems; augmenting monitoring and research; and extending coverage of RSBY beyond hospitalization to include primary healthcare services. A key area the project supports is innovative mechanisms for Uttarakhand to engage with private health care providers, expanding their role in meeting the unmet access needs of the state's population. The project will be implemented over six years.

### **2. Proposed objectives of the Consultancy/Consultant**

The main objective of the proposed consultancy is to facilitate and support the project in developing and implementing sound Financial Management arrangements that meet the requirement of the Government, Project, World Bank and other stakeholders of the project for the successful implementation of the project.

### **3. Scope of Work**

A sound financial management arrangement of the project is expected to play a crucial role for successful implementation of the Project and compliance to the legal covenants of the lenders, Accountant General and other stakeholders, duly considering the lessons learnt from the implementation of the previous Bank project in the state's health sector, as also other ongoing and completed tasks. The overall scope of work includes the following:

1. The preparation of a Financial Management Manual- an instruction code to the finance and accounts personnel in effective implementation of the financial management arrangements covering the following issues.
  - Organisation structure of Finance & Accounts wing
  - Budgeting Arrangements
  - Fund Flow Arrangements
  - Accounting System
  - Project Financing options & loan drawal ( Claims processing) procedures
  - Internal Control Mechanism
  - Financial Reporting System
  - Auditing Arrangements

The Consultants shall interact with the World Bank / other financial institutions, wherever required for preparation of FM Manual.

2. Support to the ongoing functions of the Finance cell of the UKHFWS, in line with the contents of the manual, and particularly in terms of the specific tasks as outlined below.

#### **4. The specific tasks to be supported on an ongoing basis:**

The specific tasks required to be supported by the consultant are outlined below.

1. Organisation structure of Finance & Accounts: To suggest and periodically review a broad framework of the Organisation structure, accounting units, define their roles and responsibilities with reference to finance and accounts functions.
2. Human Resource aspects relating to finance and accounting functions: Recommend appropriate staffing requirement, qualifications, experience and their duties and responsibilities.
3. Budgeting Arrangements: Provide a broad frame work of budgeting for the project both long term and short term, and to support the preparation, review and analysis of variance, corrections and revision of budget on an ongoing basis
4. Fund Flow Arrangements: Provide a broad frame work of fund flow arrangements, to ensure adequate, effective and timely flow of funds for successful implementation of the project and to monitor the fund flows on an ongoing basis
5. Develop a broad framework of the accounting system and monitor compliance: To support development and implementation of an accounting system in line with the accepted accounting standards and best practices followed in the industry. It shall also be capable of meeting the requirements of the Government and the Lenders. The accounting system, once established, must also be monitored and periodically reviewed and corrective actions pointed out, as needed.
6. Accounting for alternative source of financing: The accounting system shall cover the multiple-options of financing the project, including World Bank loan, state government and central funds, and any other applicable sources. These should also be regularly monitored for correct accounting practices.
7. Accounting system to facilitate effective contract management specific to the project: The proposed accounting system to facilitate contract administration and management such as a) e-procurement, b) EMD c) bank guarantee d) retention money e) Advances monitoring f) Statutory deductions and remittances such as VAT / Income Tax / Royalty etc. g) Price adjustments h) Accounting for Variation in Quantity (work slips) / Extra items / additions i) levy of penalty / liquidated damages j) forfeiture of EMD / retention money etc. must be incorporated in the system and also monitored and reviewed on an ongoing basis.
8. Internal Control Mechanism: To develop and implement an effective internal control mechanism to ensure accuracy and reliability of the financial statements, meeting the financial covenants of the loan agreements, system to alarm any variances in budget vs. actual, early identification of slow progressing works / contract for corrective actions.
9. Financial Reporting System: To develop and implement a suitable financial reporting system considering the size, diversity and needs of the Project, Government, lenders

and the stakeholders for facilitating the project management in taking right decisions at the right time.

10. Auditing Arrangements: Commensurate with the size and nature of the activities and transactions, to develop and implement a suitable auditing system both internal and external (statutory) audit arrangements. Ensure that broad scope of audit, time frame and the reporting and compliance requirements etc. are adhered to.
11. Computerised Accounting System: to provide a broad framework and support computerisation of the project accounting system for effective implementation of the FM in generating the accurate and reliable financial statements.
12. Any other tasks related to or required for the above activities.

## **5. Outputs required**

In addition to specific transactional outputs from SL # 1-12 in para III (2), FM specialist is required to deliver an FM manual as per the time line defined below:

- a) Inception Report: Inception report describing the initial framework of the Financial Management Manual Proposed shall be submitted within 30 days of commencement of assignment
- b) Draft Financial Management Manual: Covering the scope of work described above a draft Financial Management Manual be submitted within 90 days of commencement of assignment
  - o The Review Committee shall review the FM Manual and offer their comments and suggestions for improvement of the FM Manual in writing within 30 days.
- c) Final Financial Management Manual: Considering and incorporating the views and decision of the World Bank, Government of Uttarakhand / Key officers / members of the review committee Final Financial Management Manual be submitted within 15 days of receipt of such views and suggestions.

## **6. Duration of the assignment**

The appointment is contractual in nature. The total contract period is for 6 years, subject to a comprehensive review of performance after every 11 months. Renewal of contract shall be solely on the basis of satisfactory annual performance review report, after each year. The contract may be extended thereafter based on the project need. The contract may be terminated at any point due to non-performance, indiscipline or other reasons, after giving one month's notice.

## **7. Age Limit**

**Age should be < 45 years**

## 8. Qualification and experience of the consultant

### Essential

- **Chartered Accountant /ICWA/ MBA (Finance); Chartered accountant and ICWA will be preferred**

With minimum **6 years** of professional experience in designing and managing financial management systems.

### Desirables

- The consultant must be highly conversant and accustomed to using computerized accounting systems.
- it is highly desirable that the consultant has relevant experience and knowledge of working of the externally funded projects, especially those of the World Bank, implemented by Government sector. In such cases, the consultant should have adequate exposure to the World Bank's project accounting, procurement, contract management and reimbursement claim procedures apart from the Government accounting system.

**Note** – This is full time Job and the consultant will not undertake any other remunerative activity while under this contract.

## 9. Remuneration

INR **80,000- 1,00,000** per month (Negotiable), remuneration will commensurate with experience and past employment history of the candidates and will provide excellent reward for the right person.

## 10. How to Apply

Interested candidates are requested to send a copy of recent CV along with a covering letter describing how your qualification and experience makes you suitable for the desired position through email to [ukhsdp.hr@gmail.com](mailto:ukhsdp.hr@gmail.com) or send by post to Additional Project Director, UKHSDP, First Floor Homeopathy Directorate, Directorate of Medical Health and Family Welfare, Danda Lakhond, Sahastradhara Road (Near IT Park), Dehradun-248001, Uttarakhand, India. Kindly note that CVs without Cover Letter will not be entertained

Last date for receiving applications is **18<sup>th</sup> March 2018, 2359 IST**, no applications will be entertained after last date under any circumstances. Only short listed candidates will be contacted through email. This activity may be cancelled at any time without prior notice.