

## **Terms of Reference (TORs)**

### **Financial Management Specialist Sindh Resilience Project (PDMA Component) Provincial Disaster Management Authority (PDMA)**

#### **I. Introduction**

The geographic location and climatic conditions of the Province of Sindh render it vulnerable to various natural disaster incidents. These include floods (urban, riverine and flash floods), cyclones, earthquakes, heatwaves, droughts, wind storms, tsunamis and sea intrusion. In addition, the geography, topography, nature of economy, rapid urbanization and high population levels exacerbate Sindh's vulnerability to natural disasters. Massive damages and losses could have been largely averted or reduced if disaster risk management (DRM) approaches had been enacted by the Government and disaster risk reduction (DRR) measures had been integrated into physical, social and economic development.

Since the late 1990s, there has been increasing recognition of the need to focus on disaster risk reduction and capacitating Disaster Management Authorities by both government and donors. Pakistan has a comprehensive National Disaster Management Plan (2013-2022) that places capacity building of DMAs high on the agenda.

With the financial support from the World Bank, PDMA Sindh is implementing a five years project, titled "Sindh Resilience Project" (SRB). The project aims to strengthen Government of Sindh's capacity to manage risks from natural disasters and climate change, and to improve resilience of communities and economic assets in the province to flood and drought events.

Financial management plays a vital role in order to satisfactorily implement all the required components as planned within the fiscally agreed budget. It would involve preparation of yearly expenditure budget against the planned activities and its disbursement accordingly. It would require preparation of various financial statements and returns to comply with World Bank and government's regulations, for Bank funded projects. Accordingly a highly qualified and experienced Financial Management Specialist will be required to regulate project budget and expenditure. S/he will be selected on competitive basis following World Bank Consultants Guidelines

#### **II. Objectives**

The objectives of the consultancy are to ensure that PDMA shall maintain or cause to be maintained a financial management system and prepare financial statements ("Financial Statements") in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Project.

### **III. Scope of Work**

The Financial Management Specialist will be responsible to maintain financial records, to provide timely financial information to PD and to ensure compliance with Government of Sindh's a) Financial Rules, b) Delegation of Powers c) Finance Department's standing orders/instructions circulated from time to time and World Bank's Financial/Procurement and Consultants Guidelines as referred to in the Finance and Project Agreement

Devise and implement modern methods of financial management of project in line with the requirement of World Bank funded projects.

### **IV. Duties of Assignment / Deliverables**

The Financial Management Specialist shall be responsible for

#### **Specific Tasks and Responsibilities**

##### **Budgeting and Planning**

- Support the project team in preparing annual Work Plan of the project. Prepare project's annual Cash Plan on the basis of Work Plan.
- In accordance with Government of Sindh budgeting rules and regulations, prepare annual budget estimates and revised budget estimates based on Work Plan/Cash Plan. Submit the budget estimates to Planning and Development Department for inclusion in Annual Development Plan of the relevant year. Follow-up for the release of approved budget.
- Upload annual budget on National FMIS and prepare monthly monitoring reports comparing actual expenditure against the budget. Highlight weak performing areas for attention of Project Director.
- Prepare annual and quarterly disbursement forecasts for all components of the project in line with project's procurement plan and Work Plan/Cash Plan.

##### **Funds Management**

- Prepare cash forecasts on quarterly basis in coordination with the project team and submit to the donor for advance and replenishment of advance, once allowed.
- Prepare and process withdrawal application in accordance with the Bank's Disbursement Guidelines
- Track funds and follow up with National Bank of Pakistan and the World Bank to ensure timely credit of funds into the project's assignment account.

##### **Expenditure/Payment Processing**

- Ensure compliance with internal control framework (Operations Manual, SOPs and the Bank's fiduciary guidelines etc.) and government rules and procedures while processing payments.

- Analyze, plan, design, implement, and monitor a system to augment internal controls in line with best practices in the process of payment and expenditure management.
- Apply pre-audit checks on all payments before payment from the assignment accounts including budget availability, sanction of competent authority and compliance with applicable financial rules & regulations.
- Ensure that No Objection Letter (NOL) is obtained from the Bank for every prior review activity before processing any payment.
- Ensure that only eligible payments are forwarded for Project Director's approval and drawing funds from the assignment account.
- Manage financial aspects of the contracts under implementation, including payment terms, purchase orders and variation orders.

#### Accounting and Record Management

- Record all transactions timely and accurately in the books of accounts (both in Pak Rupees and US\$) and ensure that no expenditure remained unaccounted.
- Maintain accounts on cash basis as per government accounting procedure i.e. New Accounting Model and CGA's approved Financial Management Manual.
- Maintain PIFRA SAP R/3 (National FMIS) software being implemented at the project.
- Oversee the process of entering transaction level data in National FMIS and generating vouchers from the system
- Ensure up-to-date maintenance of adequate registers, books of accounts and records in appropriate order and format to meet the government and donors' requirements and to facilitate classification and analyzing the financial information for monitoring the project progress.
- Prepare supplementary record which provides timely and up-to-date financial information of community contracting and consultancies.
- Maintain imprest of petty cash and ensure maintenance of separate petty cash book and petty cash vouchers and compliance with petty cash SOPs approved by the World Bank.
- Prepare monthly bank reconciliation statements of assignment account both in Pak Rupee and US\$.
- Reconcile the expenditure on government prescribed format with the office of Accountant General on monthly basis.
- Be the payroll manager and process monthly payroll of project employees. Ensure proper payroll controls are applied and the payments are made directly in the Bank accounts.
- Prepare and process monthly payroll and submit to Project Director for approval prior to making any payment under salaries.
- Ensure that the fixed assets records are maintained for the project identifying location and user of each asset and arrange for the

annual and periodical inventory of the assets and updating of the records.

- Ensure safe custody of all financial records for review by Bank Missions, third party monitoring agents; and external & internal auditors.

#### Financial Reporting

- Prepare quarterly financial summaries and submit to Project Director and the World Bank in time for review and approval.
- Prepare annual financial statements as per Cash Basis IPSAS and submit to the Auditors within two months of the close of the financial year.
- Prepare periodic financial reports specified under the Legal Agreement or recommended by the World Bank
- Ensure that all government financial reporting requirements are complied with, specifically:
- Schedule of Cheques prepared and submitted to Project Director for onward submission to the office of Accountant General.
- Statement of Receipts and Payment as per CoA prepared and submitted to Project Director

#### Audit

- Make arrangements for timely initiation and completion audit of project and ensure that report produced is in compliance with audit requirements of the Government and the Bank
- Ensure that the project is adequately reflected in audit plan of internal auditors and that internal audit is periodically conducted in accordance with the internal audit plan.
- Cooperating with World Bank, Government and other partners to improve project financial management, particularly in terms of following up the action points agreed in the project legal documents, during the World Bank supervision missions, Aide Memoires and the recommendations of external auditors and internal auditors.
- Attend entry and exit meetings with external auditors , facilitate timely completion of audits by arranging timely submission of annual financial statement in appropriate format, supply of information and documents responding to queries, initiate actions for holding tripartite meetings and coordinating with various units of PDMA in meeting audit objections.
- Prepare working papers on audit observations raised by external auditors and arrange to convene Departmental Accounts Committee (DAC) meeting to settle the audit observations to the extent legally and logically possible.

#### **V. Qualification and Experience**

The Financial Management Specialist shall have:

- An advanced degree (16 years of education) from nationally/internationally recognized degree in ACCA/CA/ICMA.
- At least ten years' experience after acquiring stipulated qualification in financial management, audit or accounts. Prior experience of donor funded and public sector projects will be accorded due weightage.
- Excellent writing and communications as evidenced by a body of written work.
- Demonstrated Computer Skill (Proficiency in using computer desktop application MS Office (Word, Excel, and Power Point)).

#### **VI. Contract Duration**

The expert is expected to commence services initially for 1 year. The assignment is likely to be extended for a period of 2 more years depending upon satisfactory performance of the outputs envisaged in the TORs.

#### **VII. Reporting Obligations**

The Consultant will report to Project Director. The expert's performance will be reviewed on quarterly basis.

#### **VIII. Selection Method:**

An individual will be selected in accordance with process stipulated in Section V of "Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers (January 2011) (Revised July 2014).