

**Terms of Reference
Hiring of Financial Management Firm**

Background

The GoUP has received financial assistance from the World Bank for carrying out UP Core Road Network Development Program. The objective of the project is to demonstrate innovative and scalable practices in road network management, safety management and enforcement on targeted project corridors and support institutional development of implementing agencies in these areas. The Civil work and Institutional Strengthening component will be implemented by Public Works Department, while Road Safety Initiatives component would be implemented by Home/Police, Transport and PWD. The table below presents the detailed project costs for each component, along with respective portions to be met through financing from the Bank and GoUP.

Project Components	Project cost	World Bank	GoUP
1. Network Improvement	US\$ 499	70%	30%
2. Institutional Strengthening of PWD	US\$ 10	70%	30%
	US\$ 60	70%	30%
3. Road Safety Initiatives			
Total Project Costs	US\$ 569	70%	30%
Front-End Fees	US\$ 1.0	US\$ 1.0	US\$ 0.0
Total Financing Required	US\$ 570	US\$ 400	US\$ 170

Implementation Arrangement

The works component of the project shall be implemented by a dedicated Project Implementation Unit, headed by Chief Engineer (World Bank Projects), established at the PWD Head Quarter (Lucknow). The PIU would be responsible for overall project management, financial management and procurement, monitoring and evaluation. In addition, 3 circles, headed by Superintending Engineers (SE) have been established for implementation of Phase 1 works– Lucknow Circle, Kanpur Circle and Moradabad Circle under the PIU. Additional circles shall be established for implementation of Phase 2 works. The PIU would be supported by Project Management Consultants for design and supervision of works. The institutional strengthening component shall be implemented by Institutional Development and Strengthening (IDS) Circle, created under the Chief Engineer HQ1 (Planning), headed by a SE. Within the IDS Circle, three divisions, headed by Executive Engineers have been established – Computerization, Asset Management and Road Safety.

Objective

Sound financial management is a key for the successful implementation of this project. The accounting will be done by PWD on a cash basis using government systems, and expenditures will be recorded at time of final payment. The rules of accounting will be guided by PWD Manual, and State Financial Handbook. The field divisions of PWD will maintain accounting records at the respective locations. The objective of the assignment is to provide support to the PIU in discharging finance and accounting functions and assisting them in ensuring that financial rules/practices, fiduciary aspects are appropriately handled at all levels of the Project. The firm will work in close association with accounts staff and engineers of PWD Head office, field offices (Divisions/Circles) of the UP Government.

Scope of assignment and detailed tasks

- Support the project to deal with all financial management issues as per the norms and guidelines prescribed by Govt. of UP and World Bank.
- Advise project on financial matters; support in accounting and implementing sound financial management practices.
- Support in the preparation of annual work plans and budget estimates of the project.
- Verify requisition by divisions/circles related to Cash Credit Limit (CCL) and support in timely allotment and transfer of funds.
- Carryout monthly and quarterly monitoring of budget vis-a-vis actuals, analyze variances and support in undertaking corrective actions.
- Facilitate project in drafting documents/ correspondences/ reports on financial issues to be dealt with GoUP and World Bank.
- Undertake sample field review of financial records maintained by project divisions/circles for maintaining financial discipline and report anomalies/deficiencies to management.
- Verify monthly expenditure statements and financial records submitted by project divisions/circles for completeness and correctness. Carry out review of internal controls, contract terms/conditions followed in processing payments.
- Support PIU, project divisions/circles in obtaining DDO reconciliation statements and AG expenditure reconciliation certificates.
- Support PIU and field divisions in compliance to Govt statutory requirements and tax laws i.e. deduction and timely remittances of taxes etc.
- Strict monitoring of bank guarantees (i.e. bank confirmations, timely renewals etc) and insurance policies.
- Upon operationalization of Project Management Information System, facilitate project field divisions to initially update PMIS regularly and generate requisite reports for monitoring by GoUP and World Bank.
- Prepare project progress reports and financial reports for GoUP and World Bank.

- Consolidate individual expenditure statements/financial reports received by various field divisions and prepare disbursement claim (Interim Financial Reports) for submission to office of CAAA for seeking World Bank disbursement.
- Follow-up with office of CAAA on World Bank disbursements and reconcile claims admitted and disbursed to GoUP.
- Facilitate internal audit as per ToRs agreed with World Bank and support in compliance to the audit actions.
- Prepare annual Project Financial Statements as per formats agreed with World Bank and ensure timely submission of Project Financial Statements to office of State AG.
- Facilitate external project audit by State AG and ensure timely submission of audit report to GoUP and World Bank.
- Facilitate project in timely and effective resolution of AG audit observations.
- Liaise and coordinate with Treasury, Banks, State AG, CAAA, consultants, other project staff etc. for effective implementation of the Project.
- Carry out any other work related to financial management assigned by Project Director from time to time.

Period of Assignment

The services of the firm would be initially required for a period of 24 months starting from October 01, 2015 and may be renewed after assessing the pace of project implementation, performance of the firm on mutual consent. The physical staff presence of the firm in PIU at Lucknow is required for 2 weeks in a month. The staff presence would be required during World Bank missions and GoUP project review meetings.

Services and facilities

- The firm will be provided furnished office space in PIU, Lucknow with office facilities like computer, telephone, stationary etc to carry out project work.
- The firm will be provided with all required project documents/ correspondences/ reports/ contract records, access to project sites and offices, as necessary to deliver the terms of assignment.
- Travel and other logistic expenses for field visits will be provided as per TA/DA norms of GoUP. The travel will be pre-approved by PIU.

Deliverable and Reporting Requirement

The deliverable will be as per scope of work. The firm will be required to submit,

- Quarterly report to Chief Engineer World Bank Project (Roads) or constituted committee of UPPWD, Lucknow before beginning of each quarter, highlighting the work program of next quarter.
- Monthly report to Chief Engineer World Bank Project (Roads) or constituted committee of UPPWD, Lucknow within 10th day of next month highlighting the tasks carried out during the past month.

Terms of Payment

The payment will be made in twenty four equal installments of the contract value in every second week of the next month upon submission of invoice by the firm. The payment will be approved by Chief Engineer World Bank Project (Roads) or constituted committee of UPPWD.

Monitoring and Review

The Chief Engineer World Bank Project (Roads) UPPWD may constitute a review committee to monitor and review the work of the firm.

Requisite qualification and experience

Position	Area of Specific Expertise	Minimum Qualification and professional Experience
Financial Management Expert, (One) Based at PIU, Lucknow	Accounting and Taxation	<ul style="list-style-type: none"> • Bachelor's Degree in Finance & Accounts with atleast 8 to 10 years of experience in government accounting and PWD systems. Preference will be given to Chartered / Cost Accountant. • Experience in similar externally aided projects or road infrastructure projects would be an added advantage. • Excellent reading, writing and verbal communication skills of local language (Hindi) is essential. • Fluency in English is desirable. • Good computer knowledge is required. • Not more than 50 years of age.
Financial Management Analyst, (One) Based at PIU, Lucknow	Accounting and Taxation	<ul style="list-style-type: none"> • Bachelor's Degree in Finance & Accounts, CA (Inter) or ICWA (Inter) with atleast 3 to 5 years of experience in accounting. • Excellent reading, writing and verbal communication skills of local language (Hindi) is essential. • Fair knowledge of English is desirable. • Working knowledge of computer is required.