



GOVERNMENT OF KARNATAKA
Department of Rural Development and Panchayat Raj
SANJEEVINI-Karnataka State Rural Livelihoods Promotion Society
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Notification No.KSRLPS/FIN/FMTSC/16/2014-15, dated 04.08.2014
Through e-procurement platform

Invitation of Expression of Interest (EOI) for Hiring of Financial Management & Technical Support Consultancy

The KSRLPS is seeking invitation of "Expression of Interest" from the eligible registered Chartered Accountant Firm/agencies to submit their interest for providing services for "Financial Management & Technical Support Consultancy (FMTSC)".

Please apply online through e-procurement portal www.eproc.karnataka.gov.in and the details may be downloaded from website: www.rdpr.kar.nic.in

Last date for the submission of EOI online through e-portal is 18.08.2014, 5.30 PM

Any clarification Contact State Programme Manager (Finance), Phone: 080-23083000

Sd/-
Mission Director,
SANJEEVINI-KSRLPS

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Karnataka State Rural Livelihoods Promotion Society
4th Floor, Abhaya Complex, Risaldar Street, Sheshadripuram Bangalore-560020
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**Invitation for Expression of Interest (EOI) for Hiring of Financial
Management and Technical Support Consultancy**

Notification No: KSRLPS/FIN/FMTSC/16/2014-15 Dt: 04-08-2014

Letter of Invitation of Expression of Interest,

The KSRLPS is seeking invitation of “Expression of Interest” from the eligible registered Chartered Accountancy firm/agencies to submit their interest for providing services for “Financial Management Technical Support Consultancy (FMTSC).

The consulting services (“the Services”) include technical support on Financial Management System to the State & District level team in Karnataka for a period of **one year** extendable to few more years as per the requirement of the Society. The detailed activities and deliverables are mentioned in the Terms of Reference.

The Karnataka State Rural Livelihood Promotion Society (KSRLPS) now invites eligible consulting firms (“Consultants”) to indicate their interest for providing this service. Interested Consultancy Firm should provide information demonstrating that they have the required qualifications and relevant experience to perform the services.

The short-listing criteria are as follows.

1. Firm must have Minimum Annual Turnover of Rs. 30.00 lakhs per year in the last three years. (Attach CA certified Turn over certificate along with Copy of the audited balance sheets of the previous three years).
2. The Consulting Firms/Agencies must be empanelled under Comptroller Audit General (CAG) (please attach the CAG empanelment certificate)
3. Firms should have general experience of at least 10 years, experience of financial accounting, management, audit related consultancy in last 5 years must be specified. Experience in rural/social sector or handling SHG/Micro Finance should also be mentioned.
4. The firm should have similar experience in providing financial management/technical support service to development projects preferably external aided projects/state/central government funded projects.
5. CA firm must have at least 3 FCA partner with required Experience as specified in the Terms of Reference and other related staff with relevant experience as required by the society.
6. Firm who has a local presence in the state as a Head Office or Branch office in Karnataka will be given preference.

Further, the interested CA firms may associate with other firms in the form of a joint venture or consortium.

General Information:

1. The firm should have experienced and competent Professionals and willing to work closely with government organizations and Community to undertake financial monitoring of the project activities on concurrent basis.
2. The staff should have knowledge of Kannada for easy communication among the staff and community as well.

Selection Method:

The selection method followed is QCBS (Quality Cost Based Selection) as per the procurement guidelines of the NRLM procurement. "The attention of interested Consultants is drawn to paragraph 1.9 of the World Bank's Guidelines: Selection and Employment of Consultants [under IBRD Loans and IDA Credits & Grants] by World Bank Borrowers "Consultants Selection Guidelines of the World Bank dated January 2011" ("Consultant Guidelines"), setting forth the World Bank's policy on conflict of interest. "The Guidelines are available at www.worldbank.org/procure."

Duration of the Contract:

The contract is for period of four quarters i.e., one year. The contract may be extended for few more years based on the performance of the firm and need of the Society.

How to apply:

Interested firm must submit the EOI with all relevant documents online through E-Procurement website: www.eproc.karnataka.gov.in. The interested firm may also download the detailed Terms of Reference and EoI from the Website addressed: www.rdpr.kar.nic.in. For any other clarification the authorised person can approach the above mentioned office during office hours between 10am to 5.30pm on the working days.

The interested CA firm must register with E-Procurement Portal for submitting the EOI online.

The Contact Person for any clarification:

State Programme Manager (Finance), KSRLPS.

Contact Phone Number: 91-080-23083000

Mobile Number: 91-9448523712

When to apply:

The interested firm must submit the EoI on the e-procurement portal before **17.30 hours 18.08.2014**.

General Instruction:

Please Note henceforth, any changes in the schedule/document will not be published in News Paper, any further changes will be uploaded on e-portal only.

The Mission Director, KSRLPS reserves the right to accept/reject any/all applications or cancel the EoI without assigning any reason whatsoever.

Documents to Be Uploaded on the Web:

1. Filled up Structured Questionnaire signed by the authorized partner (each page must be attested)- Annexure 1
2. A Declaration signed by an authorized partner of the CA firm: Annexure -2
3. A self-attested copy of the latest empanelment intimation letter issued by the CAG containing the Unique Identification Number
4. A self-attested copy of the latest firm constitution certificate issued by the ICAI (this certificate should not be older than 30 days as on the date of the EoI).
5. Self-attested copies of the relevant documents to support the experience in similar assignments and other assignments.
6. CV's of the partners, fulltime partners and Qualified Audit staff with details on Post Qualification Experience
7. Copies of the audited Balance sheet of previous three years (2010-11,2011-12,2012-13)

Mission Director
KSRLPS - Sanjeevini

Annexure-1

STRUCTURED QUESTIONNAIRE FOR CA FIRM (TO BE SUBMITTED ALONG WITH EOI)

GENERAL PARTICULARS OF FIRM

Name of the firm	
Registered Address	
Phone No:	
Email id:	
Name of the Contact Person for this EoI	
Phone no. of the Contact Person for this EoI	
Email id of the Contact person for this EoI	
Branch offices if any	
Date of Firm's establishment	
Registration No. with ICAI	
Registration No. with CAG	
Is the firm empanelled on the CAG major list of auditors	Yes/No
Registration No. with RBI (if any)	
Number of full time partners Fellow Associate	
Number of full time qualified audit staff	

Number of other audit staff who are semi qualified/unqualified	
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FINANCIAL PARTICULARS OF THE FIRM

Financial Year	Turnover* from audit and other assurance services	Turnover from other activities	Total Turnover
2010-11			
2011-12			
2012-13			

“Turnover*” would mean the professional fee earned excluding service tax and traveling, if billed separately

PARTNERS BRIEF PROFILE ***

Name of partner/ M. No.	Age	Associate/ Fellow	Years of Post Qualification Experience	Qualification/s	Years of experience as signing partner	Name of clients handled	Number of years associated with the firm (post qualification)

*** Detailed CVs can be provided separately which includes details of clients handled with nature of assignment.

FULL TIME QUALIFIED STAFF BRIEF PROFILE ***

Name of Staff/M. No.	Age	Years of experience	Qualification	Number of years associated with the firm (post qualification experience)	Brief nature of work done

*** Detailed CVs can be provided separately

Other Audit Staff Brief Profile

Name of Staff	Age	Years of experience	Qualifications	Number of years associated with the firm (post qualification experience)	Audit and other assignments where the staff has worked with year

RELEVANT ASSIGNMENTS – LAST FIVE YEARS***

Name of Project /Agency Audited	(1) Funded by Multilateral/Bilateral funding agency; (2) Agencies implementing government projects (other than above); or (3) Public sector undertakings in the same sector (Rural Development). Please specify 1, 2, 3	Client Name	Nature of Audit	Year of Audit/ Year of Work Done	Partner who signed the Audit report	Client turnover /project expenditure audited	Audit fees

*** Detailed citation of work can be provided separately. Please also attach self-attested copies of the appointment letters for the above assignment.

Details of the Assignments on Financial Managements/Technical Consultancy:

Name of Project /Agency Audited	(1) Funded by Multilateral/Bilateral funding agency; (2) Central/State Govt Agencies implementing government projects (other than above); or (3) Public sector undertakings in the same sector (Rural Development). Please specify 1, 2, 3	Client Name	Nature of Assignment	Year of Work Done	Partner who signed the contract	Kind of Professionals involved in the assignment	Cost of Consultancy

*Please attach the self-attested copies of the appointment letters issued by the concerned authority

Annexure-2

DECLARATION

To

Mission Director
Karnataka State Rural Livelihood Promotion Society

We hereby confirm that:

- (a) The audit firm should not be the incumbent Internal Auditor/Statutory auditor of the project or the Project Implementing Agency (PIA).
- (b) No partner of the audit firm or any qualified employee of the firm is related to any member of the Governing Body/Executive Committee/Board of Directors or the Project Director/Managing Director/any Director or any of the senior management (as applicable) of the PIA. Relative would mean husband, wife, brother, or sister or any lineal ascendant or descendant.
- (c) The firm is not blacklisted by any government entity (World Bank, Central Government, and State Government).
- (d) The partners/qualified staff neither face any pending disciplinary action nor is found guilty of professional/other misconduct by the Institute of Chartered Accountants of India under the First or Second Schedule of the Chartered Accountants Act, 1949

In case of any further changes which affect this declaration at a later date; we would inform the project appropriately. If any of the above are found to be false, we understand that the PIA can report this to the Institute of Chartered Accountants of India and/or the Firm will not be eligible to bid for any contracts of projects financed by the World Bank.

(to be signed by an authorized partner of the Firm, on behalf of the Firm)

KARNATAKA STATE RURAL LIVELIHOOD SOCIETY

TERMS OF REFERENCE

Hiring of Financial Management and Technical Support Consultancy

Background:

Karnataka State Rural Livelihood Promotion Society is a government agency under the Department of Rural Development and Panchayath Raj of Government of Karnataka. The Society was established during the year 2011 December with the primary intention of implementing the National Rural Livelihood Mission / National Rural Livelihood Project of Ministry of Rural Development, Govt. of India. The main objective of the mission is to reduce poverty of the rural community specially the woman group by bringing them under fold of self-help group concept and make them self-sustain in terms of earning their own livelihoods.

The concept of reaching the rural woman through the mission mode necessitates the operationalising of strong and robust financial management system at all levels of project implementation setup at state level, district level and taluk level mission management unit. To ensure this robust, strong and transparent financial management system the Society needs the assistance from financial management technical consultancy services.

2. Implementation Setup:

The project is implemented by the state mission management unit with the support of district and taluk mission management unit. The project is being implemented by Karnataka State Rural Livelihoods Promotion Society (KSRLPS), set up for this purpose with State, District and Block level project management units. These units will work with various Community Institutions i.e. Self Help Groups (SHG), community based organisations at ward, village, taluka level like Grama Panchayath level Federations (GPLF) / livelihood collectives etc. The project will also work with many service providers including NGOs, public and private sector agencies and is hiring professional staff for program management, coordination, monitoring, knowledge management, financial management and capacity building. The detailed implementation arrangement is summarised as below:

NUMBER OF DISTRICTS	NUMBER OF BLOCKS		
	NRLM	NRLP	TOTAL
25	146	0	146
5*	10	20	30
TOTAL	156	20	176

* Intensive districts-Tumkur, Mysore, Gadag, Koppal, Uttara Kannada

For the intensive districts under NRLP, dedicated DMMU (05) and TMMU (20) have been established; these are in addition to the NRLM Units which are established within the existing DRDA set up. In the remaining 25 districts, NRLM Units are part of existing DRDA at both district and Taluk levels.

3. Objective of the assignment:

The finance management consultant will assist the finance team at SMMU, DMMU and TMMU in all aspects of financial management to strengthen the accounts team to bring about the stability in financial procedure and smooth functioning of the Society. The main objective of hiring finance management consultants are:

1. To assist the finance team of the society at all levels of the implementation setup of the project in developing appropriate financial and accounting system for the project to meet the requirements of the MORD and World Bank.
2. To assist the SMMU in fund flow management as required by the MORD and World Bank.
3. To assist Finance teams working at levels of the Mission in compiling and consolidation of quarterly IUFRR as stipulated by the MORD and World Bank timelines.
4. Ensure timelines of required financial reports to MORD and World Bank.
5. Assist in integrating financial reporting systems with MIS.
6. Assist SMMU and DMMU in planning and budgeting for the project programmes with ensuring the assumptions, parameters, guidelines and policies in planning are complied with.
7. To train the finance team member and other Mission staff in financial management systems as required by the Society.

4. Scope of the Work:

The scope of work will include support to Chief Finance Officer/State Programme Manager (Finance) (at SMMU office) and Accounts Officer/District Finance Manager DMMU office) and Taluka Programme Manager (at TMMU) in the following matters:

I. Fund Flow arrangements:

- Review of the banking arrangements and provide recommendations for strengthening of fund flow system including electronic transfer from SMMU to DMMU, TMMU and further to Community Institutions. The consultant will further assist in the implementation of the agreed improvements.
- Analysis, feedback and suggestion on funds management at the State, District and Block Offices

ii. Accounting Arrangements:

- Maintenance of accounts as per the accounting standards and policies agreed and documented in KSRLPS Financial Manual;
- Ensure proper maintenance of supporting documents, registers and records.
- Preparation of monthly Bank reconciliation statements;
- Preparation of annual financial statements of the Society.
- Facilitate monthly consolidation of the financial information from the computerized accounting system at and between SMMU, DMMU and TMMU.

iii. Budgeting, Budgetary control, Reporting and Analysis

- Preparation of annual budgets of SMMU, DMMU, and TMMU
- Budget monitoring including variance analysis on a monthly basis.
- Preparation of monthly financial reports for SMMU, DMMU and TMMU, including ZP and DRDA Units.
- Preparation of quarterly Interim Un-audited Financial Reports (IUFR) as per the formats devised by MORD and World Bank.
- Assisting in submission of Financial Reports to World Bank, Govt. of India and Govt. of Karnataka as per the requirement.

iv. Internal Control and Audit

- Ensuring adequate internal control and compliance with audit procedures are in place at the State office, District Offices, Block offices as well as at joint ventures and partnership arrangements.
- Monitor and support internal audit work at district and block offices. FMTSC will help in determination of internal audit plans, including in particular coverage of high risk transactions. Assist in framing internal control questionnaire in coordination with internal auditor. Ensure timely compliance of the audit and assist in ensuring that appropriate and timely follow up action is taken to address the issues identified in audit.
- Suggestions on strengthening internal controls at different levels of Mission and improvement of financial manual and rules.

v. Staffing & Training

- Support for selection and recruitment of finance staff required for Mission at various levels as per requirement;
- Provide training and capacity building on Financial Management and accounting to SMMU, DMMU, BMMU level staffs and further need based support/training to Community Institutions.
- Provide inputs in the development of accounting and accountability training modules/ handbook for the Community Institutions. Assist in development and management of training strategy and plans for accounting at SHG and GPLF levels to Project Staffs and community member as per need.

vi. Statutory Requirements

- Reporting and accounting as per regulatory and legal requirements applicable to the society under various laws.
- Ensure proper reporting and accounting as per EPF and ESI regulation.
- Filing and preparation of various statutory returns (like ETDS filling) applicable to society and issuing certificate to concerned parties.

vii. Asset Verification and Management

- Assist in maintenance of Assets register at all levels with the details of various assets procured, disposed-off, and the movement of assets under various programs and conduct of annual physical verification of assets and stock and reconciliation with books of accounts.

viii. Development of Financial Rules, policies and Guidance Notes

- Provide suggestions and recommendations for improvement of financial manual and rules.
- Preparation of financial management procedures, including financial reporting protocol for development partners.
- Advice program managers on the potential risks and control measures for various livelihood funds as they develop during implementation.

xi. Others

- Support in rolling out and synchronization of Tally accounting system at SMMU, DMMU and BMMU, including preparation of chart of accounts.
- Any other responsibility assigned by the Society from time to time.

5. Role of Consultant (FMTSC)

FMTSC will be an integral part of F.M team of the Mission and will report to the Mission Director and Chief Finance Officer/State Programme Manager (Finance). FMTSC will support to strengthen financial management and accounting systems at all levels of project implementation i.e SPMU, DMMU and TMMU. The role is to assist in carrying out the accounting and financial management functions smoothly, implementation of proper system and recommendation among all the levels of project including community based organisation and recommending suitable measures to strengthen the Financial Management and accounting systems of the Mission. The FMTSC have to travel to project area frequently.

The FMTSC should also support the Mission staff in Financial Management, accounting, legal, procurement and technical matters. The FMTSA based at the District level, shall act like trouble shooters in financial system of the DMMU.

6. Schedule of Deliverables/ Tasks to be completed

<u>Work assigned</u>	<u>Frequency / Period</u>
Fund Management	
i. (a) Review of the banking arrangements and provide recommendations for strengthening of fund flow system including electronic transfer from SMMU to DMMU, DMMU and further to Community Institutions. FMSTC will further assist in implementation of the agreed improvements	Within three months of start of assignment.
(b) Analysis , feedback and suggestion on funds management at the State, District and block Offices	Periodically
ACCOUNTING ARRANGEMENT	
Maintenance of accounts as per the accounting standards and policies agreed and documented in KSRLPS Financial Manual;	On-going basis
Preparation of monthly Bank reconciliation statements;	Monthly
Facilitate monthly consolidation of the financial information from the computerized accounting system at and between SMMU, DMMU and TMMU.	Monthly
Preparation of annual financial statements of the Society.	Annually
FINANCIAL REPORTING AND ANALYSIS	
Preparation of annual work plans and budgets	Annually
Analysis of the variances from agreed budgets.	Periodically
Preparation of monthly financial reports for SMMU, DMMU and TMMU.	Monthly
Preparation of quarterly un-audited financial reports(IUFR) as per the format devised by the MORD and World Bank	Quarterly
Assisting in submission of Financial Reports to World Bank, Govt. of India and Govt. of Karnataka as per the requirement.	As per requirement
Ensure proper maintenance of supporting documents, registers and records.	On an on-going basis

INTERNAL CONTROL AND AUDIT	
Review and provide suggestions to strengthen internal control systems at various levels of the project management.	On an on-going basis
Monitor and support internal audit work at district and block offices. FMTSC will help in determination of internal audit plans, including in particular coverage of high risk transactions. Assist in framing internal control questionnaire in coordination with internal auditor. Ensure timely compliance of the audit and assist in ensuring that appropriate and timely follow up action is taken to address the issues identified in audit.	On an on-going basis
Ensuring adequate internal control and compliance with audit procedures are in place at the State office, District Offices, Block offices as well as at joint ventures and partnership arrangements.	On an on-going basis
STAFFING AND TRAINING	
Involvement in Selection and recruitment of finance staff	As per requirement
Provide training and capacity building on Financial Management and accounting to SMMU, DMMU, BMMU level staffs and further need based support/training to Community Institutions.	As per requirement
Provide inputs in the development of accounting and accountability training modules/ handbook for the Community Institutions. Assist in development and management of training strategy and plans for accounting at SHG and GPLF levels to Projects Staffs and community member.	As per requirement
STATUTORY REQUIREMENT	
Reporting and accounting as per regulatory and legal requirements including taxation, annual report and accounts.	As per requirement
Ensure proper reporting and accounting as per EPF and ESI regulation	As per requirement

Filing and preparation of various statutory returns (like ETDS filling) applicable to society and issuing certificate to concerned parties.	Annually
ASSET VERIFICATION AND MANAGEMENT	
Assist in maintenance of assets procured under the various programs and conduct of annual verification of assets and stock and reconciliation with books of accounts.	One time within three months of start of assignment and thereafter on an annual basis
DEVELOPMENT OF FINANCIAL RULES, POLICIES AND GUIDANCE NOTES	
Provide suggestions and recommendations for improvement of financial manual and rules.	One time after three months of start of assignment and thereafter on an as required basis
Preparation of financial management procedures, including financial reporting protocol for development partners.	As per requirement
Advice program managers on the potential risks and control measures for various livelihood funds as they develop during implementation.	As per requirement
OTHERS	
Support in rolling out and synchronization of tally accounting system at SMMU, DMMU and BMMU, including preparation of chart of accounts.	By the end of the contract

7. Period of assignment

The services of the Consultant would be initially required for a period of one year starting from the date of entering the contract and would be renewed after assessing the pace of implementation, the project's needs and performance of the consultant. The contract may be extended as per the requirement up to maximum of two years. The discretion of continuing or discontinuing consultancy services lies with the society in concurrence with higher authorities.

8. Data, services and facilities provided by the KSRLPS

- 1) All data will be provided as per the needs and requirement.
- 2) Accounts, administrative and procurement team (sufficient number of man power) of KSRLPS at state, other level will Support FMTSC.
- 3) Proper seating and filling arrangement, computer system will be made available and other normal facilities in the office availed by the KSRLPS staffs will also be available to FMTSC and its staffs.

- 4) Travel and logistic arrangement will be made by KSRLPS for travel to district or block offices, which will be as per the rules applicable in KSRLPS.

9. Final output (i.e. reports, drawing, etc) that will be required from the consultants.

Requirement will be as per scope of works and Schedule for completion of tasks mentioned at para 5 and 6 of this TOR.

10. Composition of review committee and review procedures to monitor consultants work

Review will be done for the work performed by the FMTSC. Review committee will be constituted by the MD, KSRLPS.

11. List of key positions, whose CV and experience would be evaluated.

Sl.no	Key position	Area of Specific Expertise Desired	Minimum Qualification and professional Experience desired
1	Financial management and technical support consultant TEAM LEADER (One)	Finance, Taxation etc. in similar externally aided projects and govt. agencies	1) Chartered accountant having at least 5 years of post-qualification experience in respective fields (or equivalent). Specific experience in similar externally aided project is required and with proven track record in anchoring / conducting financial management and technical support consultancy. 2) Knowledge of Tally and other computerized accounting packages. 3) Regular travel to project areas is required. 4) He/she has to attend office regularly.
2	Assistant to financial management and technical support consultant. TEAM MEMBER (6) one member for SMMU and one Each team member will be responsible for a district and block under that district.	Finance and taxation	1) CA (Inter) 2) Knowledge of Tally and other computerized accounting packages. 3) S/he has to attend office regularly in the respective districts

12. Reporting: At end of the year, a detailed report should be submitted containing the activities undertaken by each member against target.