

# **TERMS OF REFERENCE FOR FINANCIAL MANAGEMENT EXPERT**

## **1. Background**

The Ghana Statistical Service (GSS) is a government agency of Ghana established under Act 135 of 1985 as the primary government agency responsible for the production and dissemination of statistics on all aspects of the economy of Ghana. In an effort to improve the quality, relevance and timeliness of the production and dissemination of statistics to meet the needs of stakeholders, a strategic plan for the development of statistics, the Ghana Statistics Development Plan (GSDP), was formulated and launched in November 2008. The GSDP covers the GSS and 9 other Ministries, Departments and Agencies. The implementation plan has been drafted but not finalised and a more detailed plan is currently being developed to clearly set out the priorities for funding and to provide a more detailed budget. Some resources have been secured from the GoG and Development Partners to start implementation. In particular a WB Multi Donor Trust Fund (MDTF) has been established to support implementation and further funding from the WB is likely to become available from December 2010.

The Directorate for Finance and Administration within the GSS has recently been restructured with two MBA degree holders and another chartered accountant employed to support the newly recruited head of the unit. As such, a highly qualified financial management expert is required to help build capacity within the GSS, and in particular within the Finance and Administration Unit to ensure that the Finance Management System is robust and strengthened for the roll-out of GSDP activities.

## **2. Objectives**

Support the Finance and Administration Unit in reviewing the existing internal systems and processes of the GSS and develop improved processes to ensure that the overall financial management system of the GSS is strengthened and robust. The expert will also build the capacity and transfer know how to the staff of GSS and relevant MDAs where necessary.

## **3. Scope of Work**

The Financial Management Consultant will provide support to the Finance and Administration department of the GSS, to ensure that throughout GSDP implementation there are adequate financial management systems in place both at HQ, sub-national levels and at MDAs (where relevant) and that the GSS is adhering to the PFM stipulations made in the Financial Administration Act of 2003. The Consultant will guide the implementation of these reforms, whilst working closely with and building the capacity of the F&A department, the GSS and MDAs where relevant.

As such, a Financial Management Advisor is required to assist with the processes of Financial Management as well as to consolidate the capacity of the Finance and Administration Group and other relevant GSS staff by mentoring and working alongside them.

The FM specialist will guide the GSS on all FM activities planned under the Ghana Statistics Development Plan. The FM Specialist will also ensure that sound technical practices and methods are applied and available and necessary data are collected and used when carrying out the assignment. The consultant shall work in close consultation with the Finance and Administration Group and the head of the Programme Development Management Group.

As part of his/her assignment, the FM Specialist is expected to conduct training for GSS employees and work towards building capacity of the GSS on Financial Management and other relevant staff within the GSS.

More specifically, the consultancy shall consist of providing support to the GSS to:

- Carry out an internal audit of the existing financial management systems, procedures and practices and identify capacity gaps and areas which may require improve strengthening;
- Put in place the necessary procedures, practices and training to fill capacity gaps and strengthen the FMS
- Ensure proper management and disbursement of GSS funds following ~~—a~~ sound accounting, budgeting, financial control and audit procedures acceptable to the Government of Ghana.
- Together with the Groups and Teams within the GSS, preparing the GSS budget
- Preparing monthly, quarterly and annual financial reports for the GSS Project Director (head of PDMG) and arrange timely financial information for internal audits of GSS accounts.
- Ensuring that all GSS transactions are booked timely and accurately
- Preparing all requests for payments
- Preparing withdrawal applications and their supporting documents according to GoG procedures
- Maintaining accounting books in accordance with international accounting standards
- Review invoices and contracts together with the relevant government authorities and the procurement specialist.
- Maintain contracts signed as part of GSDP implementation and execution of payments under such contracts.
- Carrying out control and filing of all payment documents, invoices and other financial documents relating to project transactions.
- Ensuring that all documents, information and supporting materials are kept in sage custody and are readily made available to the auditor.
- Work with the FMS short term consultant to review and redesign the financial management system database to track funding and expenditure of the GSS and train GSS staff in its use.
- Build Capacity and support the existing internal auditing unit.

- Undertake technical assessments of staff capacity in F&A at the beginning and end of the contract, provide necessary training to upgrade skills as and when required.

Part of the financial management expert's duties will be to guide the Director of Finance and Administration on financial management of the WB project(s) which involves:

- Maintaining and operating the WB projects designated account and making payments to contractors and service providers and verifying and authorizing payments for all activities under the project.
- Working closely with the Principal Accountant to oversee and guarantee compliance with financial covenants such as submitting quarterly Interim Unaudited Financial Reports (IFRs), maintaining internal controls over project expenditure and engaging external auditors.
- Facilitating the training of staff members and other stakeholders on World Bank policies and Procedures.
- Preparing a financial management manual, establishing chart of accounts and having a computerized accounting system installed to carry out activities in accordance with the agreed procedures and provisions of the MDTF Grant Agreement, and the national laws and regulations.
- Maintaining proper accounting records and preparing financial statements that provide a true and fair view and are in compliance with the WB Financial Accounting, Reporting and Audit Handbooks.
- Maintaining the project bank accounts, organizing the process disbursements of amounts from the Grant account and replenishment.
- Ensuring a proper management and disbursement of projects funds following a sound accounting, budgeting, financial control and audit procedures acceptable to the World Bank Group and the Government of Ghana.
- Managing and maintaining designated and operation accounts and their reimbursements.
- Together with the Project Director and the Groups and Teams within the GSS, preparing the project's budget,
- Preparing monthly, quarterly and annual financial reports for the Project Director (head of PDMG) and arranging timely financial information for internal and external audits of project accounts.
- Ensuring that all project transactions are booked timely and accurately
- Preparing all requests for payments
- Preparing withdrawal applications and their supporting documents according to the World Bank procedures
- Maintaining contracts signed under the project and execution of payments under such contracts.
- Reconciling World Bank Disbursement and SOE records to project accounting records.
- Carrying out control and filing of all payment documents, invoices and other financial documents relating to project transactions.
- Ensuring that all documents are kept in safe custody and are readily made available to the independent auditor and World Bank Supervision Missions for examination
- Facilitating the audit of project accounts by independent auditors

- Taking prompt remedial action in respect to irregularities detected by the Auditor or World Bank.
- Ensuring implementation and compliance with the provisions of the legal agreements between the GoG and WB and with the Project Implementation Manual.
- 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 and the recommendations of external auditors.
- Providing the Auditor with access to copies of all necessary documentation, information and supporting materials.

#### **4 Implementation arrangements**

The consultant will work in close collaboration with GSS accounting staff and the Programme Development and Management Group. S/he will report to the Director of Finance and Administration. S/he will be required to spend the entire assignment period on-site, in Accra, Ghana. S/he will be allowed leave as stipulated in the employment contract.

#### **5 Input provided by Implementing Agency**

Aside from providing office space, GSS will provide the Consultant with administrative support including technical and communication facilities, and a small number of accounting staff.

#### **6. Expected Output**

The Financial Management Expert will be expected to produce the following outputs during the period of the consultancy:

- a. An *Inception Report* provided one month after commencement of project;
- b. A *Monthly Progress Report* submitted to GSS and the World Bank by the 15<sup>th</sup> day of the next month throughout the assignment;
- c. The development of a financial management manual for the MDTF projects
- d. The development of financial management monitoring reports
- e. The Project Completion Report summarising results of the assignment in direct relation to the original terms of reference.

The consultant will also need to demonstrate how s/he has provided support, guidance and advice to the F&A department and the GSS as a whole.

#### **7. Performance Criteria**

The following performance criteria will be used to assess the performance of the Financial Management Expert at regular intervals and based upon which the contract with the GSS may be continued or terminated:

- Demonstrated evidence of transfer of knowledge (over the first two-year of project implementation) to GSS staff.
- Financial Management manual for the MDTF project developed by the end of the third month of the consultancy.
- Financial Management System in place by the end of the consultancy

In addition to the above, by the end of Year 1 and Year 2, the GSS staff shall demonstrate understanding and/or abilities in the following:

End of Year 1:

- Manage and maintain designated and operation accounts and their reimbursements
- Proper management and disbursement of GSS funds through the application of sound accounting, budgeting, and financial control measures;
- Maintain proper books of accounts in accordance with international accounting standards;
- Preparation of financial reports;
- Proper documentation and safe keeping of accounting records for audit inspection;

End of Year 2:

- Knowledgeable about World Bank financial processes and procedures;
- Maintain proper accounting records and prepare financial statements in compliance with the WB Financial Accounting, Reporting and Audit Handbooks; and
- Ability to use financial management soft ware to track funding and expenditure of GSS and produce timely financial reports.

## **8. Assignment Period**

The period of assignment will be for six months. The initial two months employment will be considered as probation; subject to satisfactory performance. Using the performance criteria determined in the previous section the GSS and the World Bank team will review the performance of the Financial Management Consultant within one week upon completion of the probation period and inform the Financial Management Consultant of the decision to continue or abrogate the contract.

## **9. Terms of Payment**

Payment will be made monthly at the end of each month.

## **10. Qualifications and experience required**

- The Financial Management Expert will have not less than 10 years in Public Administration, Business Administration, Organisational Development, Economics, Public Finance Management or related fields
- First degree in relevant discipline, e.g. Business law, Engineering, Administration etc. with minimum 10 years post graduate experience in financial management in the public sector;
- At least five (5) years of demonstrated work experience as a Technical Advisor in Financial Management
- Must have good knowledge of financial management policies and procedures of the GoG, multilateral financial institutions (e.g. the World Bank) and development co-operation agencies; as well as good knowledge of the institutional, technical, and commercial aspects of financial management;
- Excellent skills in project management demonstrated in previous jobs;
- Proven track record in working effectively within multidisciplinary teams;
- Computer proficiency in standard office applications (Spread sheets, word processing, Internet Explorer), excellent communication, interpersonal and team working skills; and
- Fluency in English.