

## TERMS OF REFERENCE

<b>Reference</b>	PN/FJI/038/20
<b>Location</b>	Pacific Islands States
<b>Application deadline</b>	3 <sup>rd</sup> May 2020
<b>Type of Contract</b>	Individual Contractor
<b>IC Title</b>	Audit Quality Expert - Efficient and Timely Audit Quality of Financial Statements of Government
<b>Languages required:</b>	English
<b>Duration of Initial Contract:</b>	60 working days between May to December 2020

## BACKGROUND

Public Finance Management is throughout the Pacific a topic of importance for international and local partners equally. Numerous stakeholders, institutions and international actors have been engaged in reinforcing the frameworks, tools and actors linked to PFM. Parliament and supreme audit institution function in public financial management across the Pacific Islands region have been identify as an area requiring strengthening. A specific focus of UNDP in this regard is the parliament's role in budget scrutiny; effective external audit of government budget execution by the supreme audit institutions, inclusion of citizens and civil society in budget processes, thorough and transparent parliamentary oversight of the external audit, and follow-up with government on recommendations.

Strengthening of public Finance Management and Governance in the Pacific Project (hereafter PFM) aims to strengthen oversight over public financial management in the Pacific region, though improving the budgetary scrutiny, public financial oversight and accountability capacities of parliaments, supreme audit institutions and civil society within the region, aligning with international public financial oversight and accountability standards, and fostering citizen engagement and oversight. Strengthening of Public Finance Management project is funded by the European Union (EU) and Implemented by the United Nations Development Programme (UNDP) in partnership with the Pacific Association of Supreme Audit Institutions (PASAI).

PASAI's Long Term Strategy (2014-2024) places quality and timeliness of Financial Statements of Government (FSGs) of Pacific SAIs as a key strategic goal (Strategic Priority 3: High Quality Audits completed by Pacific SAIs on a timely basis (SP3)). Since the establishment of its Secretariat in 2007, PASAI has been encouraging SAIs to work towards enhancing their capacities in the conduct of audits according to international standards. At the time, PASAI worked collaboratively with INTOSAI's capacity building arm IDI, to assist SAIs to commit to compliance with ISSAIs. PASAI delivered a multiple number of workshops on ISSAIs, IFRS, IPSAS and Tier Trainings across the pacific for a few years to improve skills

of the audit of financial audits. PASAI also developed resources such as the Quality Assurance Handbook, Reporting Guidelines and Financial Audit Manual (based on AFROSAI-E regularity manual) for PASAI members to assist individual SAIs to enhance their audit practice to achieve high quality audits.

To help with the implementation of the above objective, the PFM project and more specifically PASAI is hiring experts to support capacity strengthening and mechanisms linked to audit practices matching international standards in PASAI member countries. The expert is also expected to support SAIs in PASAI member countries to clear their audit backlogs where needed.

## **DUTIES AND RESPONSIBILITIES**

### **Scope of Work**

Under the direct oversight of PASAI CE and the management of the UNDP PFM Project Manager, the Audit Quality Expert will be responsible for the following activities:

- i) establish a workplan/roadmap jointly agreed with the Head of SAI and PASAI, in order to 1) clear audit backlogs and 2) ensure that the SAI won't face backlogs in the future;
- ii) provide technical guidance in line with the workplan and establish guidelines, trainings and templates as required;
- iii) develop a diagnosis report and recommendation on follow-up activities to support strengthening of the SAI.
- iv) Provide support to SAIs to clear audit backlogs

### **Expected Outputs and Deliverables**

#### **SAI LEVEL**

- 1. Provide technical support to the audit team that is responsible for the FSG audit
- 2. Provide training (where necessary) and a workshop on areas the audit team requires more understanding
- 3. Provide on the job training during the conduct of the audit
- 4. Review the audit templates, manual, working paper templates etc. and provide advice on refining or updating these guidance
- 5. Review working papers and any other audit related work that will expedite the audit process
- 6. Identify areas of weakness and suggest an approach to mitigate this
- 7. Assess the SAI PMF assessment results (if applicable) and measure progress in relation to domains relating to the FSG audits

#### **REGIONAL LEVEL**

- 1. Identify challenges and weaknesses that is institutional and requires interventions by PASAI
- 2. Suggest a strategy to improve the conduct of FSGs for the future

3. Provide a diagnostic of the root causes of the delay in the FSG audits being conducted and recommendations to reduce the backlog
4. Encourage SAIs to forge robust stakeholder engagements to aim to reduce the backlog and produce timely FSG
5. Contribute to the PASAI newsletter by providing articles during the assignment
6. Draft Media Releases during their mission.

Deliverables		Timeline (up to, for each SAI)
1	Establish and receive clearance from head of SAI and PASAI on a workplan addressing all areas of work identified above, including clear timeline, deliverables, baseline survey of capacities linked to FSG audit and linked to an initial rapid diagnosis of strengths and weaknesses of SAI	1 day
2	Implement workplan and provide weekly feedback to the PASAI Director and Head of SAI on a) progress against the agreed workplan; b) additional areas of work identified and potential alignment of workplan for validation of SAI and PASAI;	25 days
3	FSG Diagnostic Final Report provided to PASAI at the end of the assignment  (a) the key issues and challenges identified (b) any significant risks that impact on the delivery of the audit of FSGs (c) any areas of future development or opportunities for capacity building to enhance the audit quality and timeliness (d) assessment against SAI PMF relevant criteria (and or previous SAI PMF assessment scores) (e) Baseline survey of capacities to FSG audit pre and post intervention; (f) Summary of work achieved and significant risks	3 days
4	A practical roadmap and strategy on mechanisms adopted for the SAI to clear backlogs and ensure no further backlogs of FSG audits	1 day
	<b>TOTAL DAYS FOR EACH SAI:</b>	<b>Up to 30 DAYS</b>

### Institutional Arrangement

The expert will be reporting to PASAI CE for all activities' implementation, UNDP PFM Project Manager will manage the contract and clearance of deliverables.

**Duration of the Work**

The consultant will be required to work for a period of up to **60 days** between May to December 2020.

**Duty Station**

The 30-working day will be located in the requesting country. UNDP will arrange for DSA and travel arrangement to the duty station as per UNDP policy.

**COMPETENCIES****Corporate competencies:**

- Demonstrates integrity and fairness by modelling UN values and ethical standards;
- Demonstrates professional competence and is conscientious and efficient in meeting commitments, observing deadlines and achieving results;
- Display cultural, gender, nationality, religion and age sensitivity and adaptability.

**Functional Competencies:**

- Demonstrated ability to work harmoniously in a multi-cultural environment;
- Ability to work on own initiative as well as a member of a team and to work under pressure;
- Excellent relationship management;
- Excellent communication, facilitation, presentation and reporting skills;

**REQUIRED SKILLS AND EXPERIENCE****Education**

An undergraduate degree in accounting, or a related discipline applicable to public sector governance and accountability.

**Experience**

- A minimum of 5 years' public sector work experience is essential, preferably in a SAI with experience conducting Financial Audits. Experience in the Pacific Islands Region preferred
- Experience in providing workshops and on the job training relating to Financial Statements audit
- Demonstrated understanding of international standards of auditing (ISAs) and INTOSAI Standards of Supreme Audit Institutions (ISSAIs)
- Experience in reviewing audit methodology and ensuring compliance with international standards is advantageous

Experience using Teammate (this is used in PNG, Vanuatu, Solomon Islands, Samoa, Fiji, Cook Islands, Tonga, Palau, FSM) or similar electronic working paper software is an asset.

#### **Language requirements**

- Fluency of English language is required;

#### **Price Proposal and Schedule of Payments**

Consultant must send a financial proposal based on **Daily Fee**. Consultant shall quote an all-inclusive Daily Fee for the contract period. The term “all-inclusive” implies that all costs (professional fees, communications, consumables, etc.) that could be incurred by the IC in completing the assignment are already factored into the daily fee submitted in the proposal. If applicable, travel or daily allowance cost (if any work is to be done outside the IC’s duty station) should be identified separately. Payments shall be done on a monthly basis based on actual days worked, upon verification of completion of deliverables and approval by the IC’s supervisor of a Time Sheet indicating the days worked in the period.

In general, UNDP shall not accept travel costs exceeding those of an economy class ticket. Should the IC wish to travel on a higher class he/she should do so using their own resources

In the event of unforeseeable travel not anticipated in this TOR, payment of travel costs including tickets, lodging and terminal expenses should be agreed upon, between the respective business unit and the Individual Consultant, prior to travel and will be reimbursed.

#### **Evaluation Method and Criteria**

Individual consultants will be evaluated based on the following methodology:

##### **Cumulative analysis**

The award of the contract shall be made to the individual consultant whose offer has been evaluated and determined as a) responsive/compliant/acceptable; and b) having received the highest score out of set of weighted technical criteria (70%). and financial criteria (30%). Financial score shall be computed as a ratio of the proposal being evaluated and the lowest priced proposal received by UNDP for the assignment.

##### **Technical Criteria for Evaluation (Maximum 70 points)**

- Criteria 1 Relevance of Education – Max 10 points
- Criteria 2 Relevance of work experience - Max 10 Points
- Criteria 3 Previous experience in providing on the job training relating to Financial Statements audit– Max 10 points
- Criteria 4 Demonstrated understanding of international standards of auditing (ISAs) and INTOSAI Standards of Supreme Audit Institutions (ISSAIs) – Max 10 points
- Criteria 5 Experience in reviewing audit methodology and ensuring compliance with international standards – Max 10 points

- Criteria 6 Assessment of approach/methodology to assignment – Max 20 Points  
Only candidates obtaining a minimum of 49 points (70% of the total technical points) would be considered for the Financial Evaluation.

### Documentation required

Interested individual consultants must submit the following documents/information (in **one (1) single document** as the application supports only one upload) to demonstrate their qualifications.

- **Letter of Confirmation of Interest and Availability for the duration of the assignment** using the template provided in Annex II.
- **CV** indicating all experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references.
- **Technical proposal**, including a brief description of why the individual considers him/herself as the most suitable for the assignment
- **Financial proposal**, as per template provided in Annex II (in USD)

Incomplete, joint proposals and proposals sent to the wrong mailing address will not be accepted and only candidates for whom there is further interest will be contacted.

Individuals interested in this consultancy should apply and will be reviewed based on their own individual capacity. The successful individual may sign an Individual Contract with UNDP or request his/her employer to sign a Reimbursable Loan Agreement (RLA) on their behalf by indicating this in the Offerors letter to Confirming Interest and Availability using Annex II.

### Annexes

- Annex I - [Individual IC General Terms and Conditions](#)
- Annex II – [Offeror's Letter to UNDP Confirming Interest and Availability for the Individual IC, including Financial Proposal Template](#)

### Proposal Submission

- All applications must be clearly marked with the title of the consultancy (Audit Quality Expert - Efficient and Timely Audit Quality of Financial Statements of Government) with reference (PN/FJI/038/20) and submitted via **UN Job shop** by **3<sup>rd</sup> May 2020**.
- **Note: UNDP Jobs only supports single document upload hence ensure that the proposal consolidated and submitted as one single document**
- For further information concerning this Terms of Reference, please contact UNDP Pacific Office by email: [procurement.fj@undp.org](mailto:procurement.fj@undp.org).

***Women applicants are encouraged to apply.***