

Punjab Municipal Services Improvement Project

TERMS OF REFERENCE Computerized Financial Management System (CFMS)

Background

Punjab Municipal Development Fund Company introduced Computerized Financial Management System (CFMS) in 34 partner TMAs. PMDFC now plans to include all the TMAs in Punjab hence the total number will rise up to 112 TMAs.

Tasks

To carry out installation and replication of (CFMS) in up to 20 TMAs of Punjab, the Consultant is required to undertake the following tasks:

1) Installation of CFMS

Firms are required to install Financial Management System (CFMS) developed by PMDFC. To install this software, firms are required to have technically trained staff which will not only install the CFMS in the TMAs but will also train TMA staff to operate this software.

2) Training

Consultant will work directly and continuously with the TMA staff and will provide training to the TMA staff for an effective use of CFMS. Consultant will also conduct periodic training sessions for the upper management of the TMAs so that they will also know how to use the system and generate reports from it. These training should be provided hands on at the TMAs premises. In these trainings consultant will cover the following areas:

a) Data entry, use and maintenance of the following modules:

- b) Revenue module: Recording Receipts for:
 - o Shop rent collections
 - o Water rate collections
 - o Lease contract collections
 - o Government grants
- c) Expenditure Module: Recording Payments for:
 - o Establishments
 - o Contingencies
 - o Municipal Works
- d) Treasury module: Reconciliation of bank accounts
- e) Budget monitoring module: Entering the Annual Budget against various account heads and monitoring its variance against the actual.

b) Generating reports from the system

The system maintains and produces the following reports:

- Establishment Cheque Register
- Contingencies Cheque Register
- Municipal Works Register
- Classified Abstract
- Cash and Bank Book
- Bank Reconciliation Statements
- Outstanding receipts from water consumers, shop tenants, and lease contractors
- Financial Highlights

c) System maintenance and security

- Training on mandatory computer system back-up policies
- Maintaining a virus free system
- Input Controls
- Processing Controls
- Output Controls
- Security and Data Access Controls

3) Data Entry in the System

The Consultant will also be responsible for helping TMAs in entering data in the system and will provide all possible help to the TMA staff in this regard. Consultant will provide this help continuously even after the installation, training and initial setups have been completed for one year.

4) Providing service and support

- Consulting firm is required to provide support to the TMAs after and during installation for any hardware and software related issues. This support will be provided through on site visits, telephone or internet. Refresher training programs and providing training in case any system updation or changes are made will also be the part of service and support for the TMA staff. Firm will also help TMAs to generate reports from the CFMS for pre audit by Local Fund Audit (LFA), LGCDD and other government agencies.

Deliverables in respect of each TMA

- Installation of software and hands on training of the selected TMA employees and start of data entry in the modules (Financial and Cash Book Maintenance module, Budget Allocations and comparative module, Water and sewerage demand and collection module, Lease contracts / Contracts follow up module)
- Firm will provide monthly backup CD of the work done.

- Firm will provide a 3 months parallel run report from Cash Book, Water sewerage demand & collection, Budget Allocation and Lease contracts / Contracts Follow up modules of the FMS. (Hard and Soft Copies)
- Firm will provide a 6 months parallel run report from Cash Book, Water sewerage demand & collection, Budget Allocation and Lease contracts / Contracts Follow up modules of the FMS. (Hard and Soft Copies)
- Firm will provide year end parallel run report from Cash Book, Water sewerage demand & collection, Budget Allocation and Lease contracts / Contracts Follow up modules of the FMS and generation of Municipal Services bills. (Hard and Soft Copies)

Time Frame

Time frame for establishment of CFMS in up to 20 TMAs will be 12 months after the award of contract. It is expected that appropriate number of teams will be working simultaneously.