

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার
স্বাস্থ্য ও পরিবার কল্যাণ মন্ত্রণালয়
স্বাস্থ্য সেবা বিভাগ
আর্থিক ব্যবস্থাপনা ও অডিট ইউনিট
ভবন নং-৯, ৫ম তলা (ক্লিনিক ভবন)
বাংলাদেশ সচিবালয়, ঢাকা।

স্মারক নং ৪৫.০০.০০০০.১৩১.০৯৩.০৪৭-১৮-১৭০

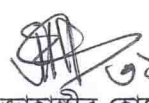
তারিখঃ ৩১.০৩.২০১৯ খ্রিঃ।

বিষয়: Invitation for Expression of Interest বিজ্ঞপ্তি প্রকাশ প্রসঙ্গে।

উপর্যুক্ত বিষয়ের আলোকে এতদসঙ্গে সংযুক্ত Invitation for Expression of Interest বিজ্ঞপ্তি আগামী ০১ এপ্রিল' ২০১৯ খ্রিঃ তারিখে আপনার পত্রিকায় সকল সংস্করনে ভিতরের পৃষ্ঠায় ১২×৩ কলাম মোট ৩৬ ইঞ্চি পরিমান প্রকাশের জন্য অনুরোধ করা হলো।

উল্লেখ্য যে, বিজ্ঞপ্তির বিল দাখিলের পর সরকারী বিধি অনুযায়ী পরিশোধ করা হবে।

সংযুক্তি: Invitation for Expression of Interest বিজ্ঞপ্তি।


(মোঃ জাহাঙ্গীর হোসেন)

যুগ্মসচিব

ফোন: ০২-৯৫৪৫৭০৬

fmaumohfw@gmail.com

১। জেনারেল ম্যানেজার (বিজ্ঞাপন)

বাংলাদেশ প্রতিদিন

ইস্ট ওয়েস্ট মিডিয়া গ্রুপ লিমিটেড, প্লট নং-৩৭১/এ

ব্লক-ডি, বসুন্ধরা আবাসিক এলাকা, বারিধারা, ঢাকা।

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অনুলিপি, সদয় জ্ঞাতার্থে:

১. অতিরিক্ত সচিব (এফএমএ), স্বাস্থ্য সেবা বিভাগ, স্বাস্থ্য ও পরিবার কল্যাণ মন্ত্রণালয়, বাংলাদেশ সচিবালয়, ঢাকা।

২. Director General, CPTU, IMED, Ministry of Planning, Dhaka.

সংযুক্ত Invitation for Expression of Interest এর বিজ্ঞপ্তি ওয়েবসাইটে প্রচারের জন্য অনুরোধ করা হলো।

Government of the People's Republic of Bangladesh
Ministry of Health and Family Welfare (MoHFW)
Financial Management and Audit Unit (FMAU)
Building No. 9, 4th Floor,
Bangladesh Secretariat, Dhaka.

Request for Expression of Interest

1	Ministry/Division	Ministry of Health and Family Welfare, Health Services Division (HSD)
2	Agency	Financial Management and Audit Unit (FMAU), Health Services Division (HSD), Ministry of Health and Family Welfare
3	Name of the Procuring Entity	Additional Secretary (FMA) & Line Director (IFM) Health Service Division (HSD), MoHFW
4	Title of Service	Internal Audit
4	Procuring entity code	1270101-224021800
5	Procuring entity district	Dhaka
6	Expression of Interest for selection of	Audit Firm for Internal Audit Services for the 4 th Health, Population and Nutrition Sector Program (4 th HPNSP) for the Financial Year 2017-2018
7	EOI Ref. No.	45.131.201.00.00.131.2018-169
8	Date of issue of Request for Expression of Interest (REOI)	01.04.2019
KEY INFORMATION:		
9	Procurement method	Fixed Budget Based Selection Method
FUNDING INFORMATION:		
10	Budget and source of funds	As per ADP/RADP allocation RPA (GOB)
PARTICULAR INFORMATION:		
11	Project/Program code	1270101-224021800
12	Project/Program name	4 th Health, Population and Nutrition Sector Program (4 th HPNSP)
13	Contract Package Number	SP-2
14	EOI closing date & time	Expression of interest must be delivered to the address and stipulated time 16.04.2019 at 02.00 p.m. Room No. 324, Building No. 03, Bangladesh Secretariat, Dhaka-1000 Bangladesh.
INFORMATION FOR APPLICANT:		
15	Brief description of the assignment	<p>The service include of Internal audit function of 4th HPNSP for the Financial Year 2017-2018.</p> <ol style="list-style-type: none"> 1. Review of adequacy of internal control system and tools, their compliance and effectiveness. This includes identification of specific weaknesses in the system. 2. Provide assurance that all funds allocated for and provide value for money. 3. Assets management procedure focusing on recording, maintaining register, utilization of assets etc. 4. Provide specific evidence on level of compliance based on established policies, plan, procedure and rules & regulations with financial involvement. 5. Provide assurance that the organization's risk are being adequately managed and that controls are operated as intended. 6. Provide concrete recommendation on the ways to improve internal controls and revisit the management response and action for the past year(s) audit recommendation and implementation progress. 7. Assist in capacity development of MoHFW's internal audit team and FMAU.
16	Required experience, resources and delivery capacity	<ol style="list-style-type: none"> 1. Interested consultants must provide information indication that they are qualified to perform the services and the firm/agency should have minimum 10 (ten) years of business experience in public accounting / financial management and will need to provide documentary evidence in this regard and a profile including a list of all clients for the past 5 years.



		2. The audit firm/ consultants should have experience on public financial management and audit following General Financial Rules (GFR) Treasury Rules (TR) PPA-2006, PPR-2008 and applicable various GoB circulars regarding budget, accounting & audit.
17	Other requirements	Interested audit firm(s) are requested to submit the following information / documents: 1. Background with brochure and area of expertise. 2. Description of similar assignments with documents. 3. Spell out professional capacity of the proposed key staff. 4. Technical and Managerial organization (Staff) of the interested audit firm. 5. Valid membership certificate of the audit firm issued by the Institute of Chartered Accountants of Bangladesh (ICAB). 6. Valid copy of Trade Licence, copy of VAT registration certificate and Copy of 12 digits e-TIN certificate.
18	Association with foreign firm is	Allowed
19	Other details	1. Public Procurement Act (PPA) 2006 & Public Procurement Rule (PPR) 2008 will be followed during short listing evaluation and final selection process. 2. Interested consultants may obtain further information at the address below during office hours (10.00 -16.30) hours. 3. Request for Expression of Interest for the above mentioned assignment shall be clearly marked on the top of the envelope. 4. If the performance of the selected audit firm is satisfactory then the contract may be extended for Internal Audit of further financial year/years.
PROCURING ENTITY DETAILS:		
20	Name of official inviting Expression of Interest (EOI)	Mashiur Rahman
21	Designation of official inviting Expression of Interest (EOI)	Additional Secretary (FMA) & Line Director (IFM), Health Service Division (HSD), Ministry of Health and Family Welfare
22	Address of official inviting Expression of Interest (EOI)	Room No. 324, Building No.03, Ministry of Health and Family Welfare, Bangladesh Secretariat, Dhaka.
23	Contact details of official inviting Expression of Interest (EOI)	Tele : 02-9540669, 9546706, 9570091 Fax No. 9540681 E-mail address: fmaumohfw@gmail.com
Note: Procuring entity deserves the right to accept or reject any or all EOI's.		

31.03.19
Mashiur Rahman
Additional Secretary (FMA) &
Line Director
Improved Financial Management (IFM)
Health Services Division (HSD)
Ministry of Health and Family Welfare
Tel: 02-9570091

Terms of Reference (ToR)
Internal Audit for 4th Health, Nutrition and Population Sector Program (4th HPNSP)
For the Financial Year 2017-2018

BACKGROUND

The Ministry of Health and Family Welfare (MoHFW) is responsible for the implementation of the 4th HPNSP program and has the mandate to carry out the internal audit. The Internal Audit Service will be entrusted with the responsibility of conducting an independent appraisal of MoHFW's internal control environment, financial performance and assurance to add value and improve MoHFW's operations. It aims at bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance process. Risk exposure relating to financial management may be due to material errors occurring either due to the absence of related internal control or as a result of intrinsic limitation in the system of internal control. Such material errors have a negative impact on the achievement of the program objectives. Internal control is a process designed to provide reasonable assurance about the effectiveness and efficiency of the organization's operations, compliance with rules and regulations, and reliability of financial reporting. On the other hand, governance process embraces procedure used by stakeholders to provide oversight of risk and control process administrated by the management.

OBJECTIVES

1. The objectives of the independent internal audit of the 4th HPNSP under Ministry of Health and Family Welfare (MoHFW) is as follows:
 - 1.1 Review adequacy of internal control environment, system and tools, their compliance and effectiveness. This includes identification of specific weaknesses in the system;
 - 1.2 Provide assurance that all funds allocated to 4th HPNSP are used for the purposes intended, properly accounted for and provide value for money;
 - 1.3 Provide assurance that the organization's risks are being adequately managed and that controls are operated as intended;
 - 1.4 Provide concrete recommendations on the ways to improve internal controls and revisit the management response and actions for the past year(s) audit recommendations and assess implementation progress of the proposed actions;
 - 1.5 Assist in capacity development of MoHFW's internal audit team & Financial Management & Audit Unit (FMAU).

THE RECIPIENT

2. The main recipients of the internal audit reports will be the Principal Accounting Officer's (Secretary) of Health Service Division (HSD) and Medical Education and Family Welfare Division of Ministry of Health and Family Welfare (MoHFW) on behalf of the Government of Bangladesh (GoB).

SCOPE OF WORK

3.1 GENERAL

The internal audit shall be carried out throughout the period specified in order to ensure continuous monitoring of the management of 4th HPNSP resources which will, in turn, generate good value for money. The focus of the internal audit should be on management issues as well as on transactions-checks.



3.2 SPECIFIC

3.2.1 The audit shall cover 12 months period from 1st July 2017 to 30th June 2018 Financial Year.

3.2.2 Geographical location of the audit area will be **15 (fifteen) districts** including Dhaka. Selection of districts will be at the liberty/discretion of the procuring entity.

3.2.3 On successful completion of one year of the contract, this contract may be extended further for one /two year, if agreed by both the parties.

3.3 UNDERSTANDING ARENA

The auditor should obtain sufficient understanding of:

1. the organizational structure of MoHFW and the duties and responsibilities of the officials at the Ministry, DGHS, DGFP and Line Directors (LDs) at Operational Plan (OP) levels;
2. the systems in use in the MoHFW and LDs for capturing transactions, summarizing and including them in the Interim Unaudited Financial Reports (IUFRs);
3. the Program Documents (FA, PAD, PIP, OPs etc);
4. the work of the external audit [Comptroller & Auditor General (C&AG) - Foreign Aided Project Audit Directorate (FAPAD)] taking into account the sample sizes and plan to avoid duplication;
5. the Public Procurement Act-2006, Public Procurement Rules-2008 and GFR, Treasury and Subsidiary Rules, Delegation of Financial Power and other relevant Act ,Rules and guidelines.

3.4 FOCUS

3.4.1 The audit programmes should be designed with a focus on:

- i) Internal Control systems: completeness, written instructions, effective implementation;
- ii) Receipts and expenditure: completeness, occurrence, measurement, recording, regularity including eligibility and propriety;
- iii) assets: completeness, ownership, existence, recording (NB: valuation objective excluded because assets are not valued in the accounts) and utilization for the purposes intended;

3.4.2 If the auditor identifies any case of fraud, irregularity or corruption during the course of the audit, this should be reported immediately to the Audit Committee of MoHFW.

3.5 CAPACITY DEVELOPMENT AND TRANSFER OF KNOWLEDGE

Capacity development of MoHFW's combined internal audit team (personnel from FMAU, MoHFW, DGHS and DGFP) and personnel from LDs are an important key element of this contract. For capacity development several training should be conducted on Financial Management and Audit following General Financial Rules (GFR), Treasury Rules (TR), Subsidiary Rules (SR) and various GoB circulars regarding budget, accounting and audit. The resource persons must have adequate knowledge about the GoB financial systems. These training should also address the audit findings.

Another part of the capacity development is to include MoHFW's combined internal audit team (personnel from FMAU, MoHFW, DGHS and DGFP) members in the audit team for on the job training.

3.6 SPECIFIC GUIDANCE ON AUDIT COVERAGE

3.6.1 The internal audit should cover all transactions related to 4th HPNSP of the Ministry of Health and Family Welfare i.e., covering assets and all sources and application of funds.

3.6.2 The audit should also cover overall compliance with the Government of Bangladesh's Accounts Code, the Treasury Rules & Subsidiary Rules (SR), Public Procurement Act-2006, Public Procurement Rules -2008 and General Financial Rules.



3.6.3 An assessment by the auditors of the adequacy of the financial management systems¹, including internal controls. This would include aspects such as:

1. adequacy and effectiveness of accounting, financial and operational controls;
2. specific recommendations, if any;
3. level of compliance with established policies, plans and rules & regulation with financial involvement;
4. reliability of accounting systems, data and financial reports;
5. verification of assets and liabilities;
6. specific recommendations to improve weak controls or creating them where there are none;
7. review the control over procurement process of goods, works and services including expenditures related to capacity development initiatives;
8. follow-up on implementation progress of previous internal and external audit observations. Particularly auditor should review the effectiveness of the management actions on IDA identified audit observations;
9. from the audit trail, auditors should also review and report the status of those transactions where documentary audit evidences were not produced for auditors' verification in the past both in case of external and internal audits of this ongoing rules.

3.6.4 An assessment by the auditors of the compliance with provisions of financing agreements with IDA, especially those relating to accounting and financial matters. This will require verification that:

- (i) all funds have been used in accordance with the conditions of the Credit Agreement including the Joint Financing Arrangement, with due regard to economy and efficiency, and only for the purposes for which the funds were provided;
- (ii) the delegation of financial authority is properly exercised and all the expenditures have been duly authorized by the competent authority;
- (iii) expenditures charged to the program are eligible expenditures

3.6.5 Goods and services financed have been procured in accordance with the Credit Agreement using PPA/PPR wherever applicable.

3.6.6 All necessary supporting documents, records, and accounts have been kept in respect of the Program.

3.6.7 Interim Unaudited Financial Reports (IUFRs) used as the basis for withdrawing funds from Donors accurately reflects expenditures and activities of the program.

3.6.8 An assessment of the system of asset and inventory recording, maintenance and verification.

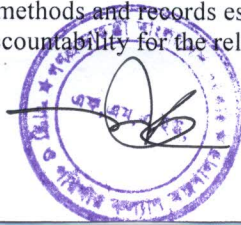
3.6.9 The rules regulating the method of and authorization for payment have been duly observed by the disbursing officers.

3.6.10 Application of rules decided on accounting classification of advances and letters of credit is taking place.

3.6.11 The scope of the internal audit should also cover the following:

- (i) Verification to ascertain that assets acquired and procured under the Program are being properly recorded, and that inventory and stock account are being regularly verified by physical inspections and counting. Also, verification of the adequacy of measures to

¹ The financial management system would include methods and records established to identify, assemble, analyze, classify, record and report on transactions and to maintain accountability for the related assets and liabilities.



prevent loss of assets/resources due to theft, embezzlement or carelessness from the perspective of internal control;

- (ii) Check and report on whether expenditures are in accordance with budgetary allocation and are provided for in the Annual Operational Plans;
- (iii) Undertake tests of calculations on financing percentages; verification of travel related claims in submitting financial report/claims to FMAU either for withdrawal or replenishment;
- (iv) Verification of data maintenance and processing at all relevant entities (Line Directors, Drawing and Disbursement Officers and Service Delivery units). The verification process is to be designed to ascertain the reliability of record and reports. For example, (a) comparison of report figures with source information; (b) proof of entries in source records, footing (adding up) of those records, accuracy of posting to the ledger/computerised accounting system; (c) tests of the accuracy of expense distribution including checks on the coding of vendor's invoices; (d) accounting for all copies of serially numbered forms; etc.;
- (v) The verification of financial statement sent to FMAU against the entries in the primary books of account in conjunction with records and vouchers, contracts, purchase orders and other original documents;
- (vi) Verification of the appropriateness and accuracy of claims regarding incremental operating expenses that are being claimed by contracting/supporting agencies;
- (vii) An assessment by the auditor of the current status of previous audit findings and recommendations, especially (i) non-compliance with procurement rules and regulations with financial involvement (ii) non-compliance with GFR/treasury rules & Subsidiary Rules (SR) (iii) management issues (iv) lapses in assets and inventory management and (v) training/ workshops.

4. TIME FRAME AND REPORTING

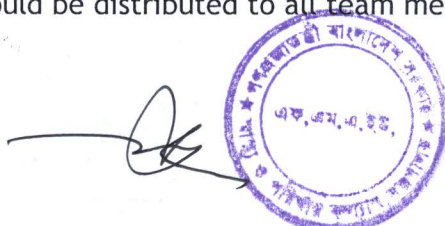
4.1 The audit work will take place in Bangladesh from the date of effectiveness of contract up to three month (90 days).

4.2 The service provider shall submit the Methodology and Work Plan for Audit in its Inception Report. This should include an estimate of the total number of days required to deliver the objectives and the cost of such inputs. The time-period allowed for the assignment is **90 (ninety) days**; the breakdown for different activities is as follows:

- i) **Inception Report** : within **7 (seven) days** from signing of the contract inception report would be submitted to the procuring entity (PE); the Inception report should containing but not limited to, the following:
 - a) Work Plan for the whole assignment;
 - b) Methodology to be followed (using risk based approach);

The inception report containing work plan and methodology to be followed may be submitted to the audit committee of MoHFW for review and incorporate suggestions of the committee before finalization.

- ii) **Internal Audit**: The consultant will follow generally accepted auditing practices and conduct the audit being present physically at the site of various cost centers. The Consultant will complete the auditing works **50 (fifty) days** of submission of Inception Report. The Consultant will prepare a draft check list for use in the audit work and share the check list with the Joint Secretary, FMAU before commencing the audit. Such check list should be distributed to all team members before the start of the auditing work.



- iii) **Draft Report on Internal Audit:** The Consultant will prepare a draft report on internal audit, and submit the same in 4 (four) copies (consolidated) to the procuring entity within **70 (seventy) days** of signing the Contract. The draft report will be reviewed by the MoHFW's Audit Committee to assess the quality of the Internal Audit Report and suggestions will be made to the Consultant for further improvement in the report, if deemed necessary.
- iv) **Final Report on Internal audit:** The Consultant will prepare and submit two separate final report on Internal Audit for two divisions i.e. Health Service Division & Medical Education and Family Welfare Division of MoHFW within **90 (ninety) days** of the date of signing the Contract.

4.3 Brief monthly progress reports to the Audit Committee (and one to FMTG) including:

- 4.3.1 A brief update of activities - eg. the audit units covered in the period (and a summary of values and volumes of transactions checked); Training strategy implemented and provided;
- 4.3.2 A summary of any important matters arising from the audit that require Audit Committee attention, including any financial irregularities detected, serious weakness in the internal control system;
- 4.3.3 Plans for the audit of the systems and transactions for the period from 1st July 2017 to 30th June 2018 Financial Year;

4.4 REPORT

4.4.1 Two separate report would be prepared for two divisions i.e. Health Service Division & Medical Education and Family Welfare Division of MoHFW. Internal Audit Report, including training activities implemented, should be prepared and submitted for the period 01st July 2017 to 30th June 2018.

4.4.2 Each Report shall contain:

4.4.2.1 Executive Summary

4.4.2.2 Summary of audit findings with recommended actions.

4.4.2.3 Detailed assessment of each audit areas which include review of the project progress, assessment of internal control system that captures the audit issues and recommendations with the following details specific with analysis:

- ❖ Issue Title
- ❖ Observation (specific & details)
- ❖ Impact or risk
- ❖ Cause
- ❖ Specific Recommendations
- ❖ Priority

4.4.2.4 Report should include a summary of total resource allocation and actual expenditure for the Financial Year 2017-2018 covering all Line Directors (LDs).

4.4.2.5 Reports should also include sections on the Capacity Development in terms of training and other related activities.

4.4.2.6 Categorization of audit findings by risk severity: High, Medium and Low with definition.

4.4.2.7 Classification of possible causes of audit findings.

4.4.3 Final Report:

- ❖ The final audit report for each division i.e. Health Service Division and Medical Education & Family Welfare Division will be submitted by the Audit Firm to the Secretary of the concern division of MoHFW.
- ❖ Audit firm must disseminate the audit finding report in a discussion meeting before submission.

4.4.4 The Audit Firm will submit 10 (ten) hard copies of the final report and 2 (two) copies (editable version) in CD-ROM/Pen drive in word processing format for each division.



4.4.5 Review of Final Report

After receiving the final audit report from the Audit Firm, Procuring Entity (FMAU) will submit it to the Audit Committee of MoHFW for review and suggestions if any. While conducting the review of final audit report, Audit Committee shall taken in to consideration the work plan, findings, risk assessment, audit approach, any audit observation or suggestions made before.

Apart from the above, audit team personnel may be required to be present in any discussion meeting regarding any audit observation(s) with concern Operational Plan (OP) and also FMAU may ask for relevant data, or information/clarification pertinent to the audit observation and the audit firm is required to provide those to FMAU (Financial Management and Audit Unit of the MoHFW).

5. MANAGEMENT LETTERS

5.1 Matters arising from each audit unit shall be discussed by the auditor with the appropriate level of management of the concern Unit and recorded in management letters by the auditors which should be copied to the FMAU.

5.2 The FMAU needs copies of management letters within 5 (five) days of the end of each unit audited.

5.3 At any given instance, the audit firm should, in its own capacity, make specific efforts to mitigate problems encountered while performing the task, with help and support of entities/authorities involved. However, any major change in the audit work plan or impediment experienced shall immediately be intimated to FMAU, which will exercise its judgment in taking remedial measures in case of any serious occurrence jeopardizing the assignment, and to mitigate such problems.

6. GENERAL

6.1 The auditor should be given access by GoB to all legal documents, correspondences, and any other information associated with the commission and deemed necessary by the auditor. Confirmation should also be obtained of amounts disbursed and outstanding with Development partners, Government; etc.

6.2 The auditor should examine the quarterly financial reports (IFURs) prepared for reimbursement from pooled funds, during audit period to:

- assess the methods used to compile them,
- ascertain that the information in these reports accurately reflect the underlying records and documents and
- ensure that there are no material misstatements.

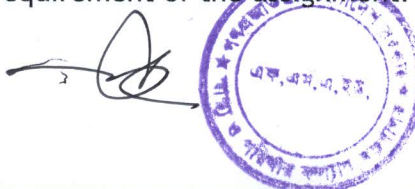
6.3 The auditors should also review and take account of the external audit reports in planning and conducting their work. This includes the work of the Foreign Aided Projects Audit Directorate (FAPAD) and the Civil Audit Directorate.

7. HUMAN RESORCE & REQUIRED QUALIFICATION

7.1 Positions & Team composition suggested by the Procuring Entity:

- i) Team leader-1
- ii) Senior Internal Auditor-3
- iii) Procurement Specialist-1
- iv) Training Specialist-2
- v) Internal Auditor*
- vi) Auditor*

*Consultants are at liberty to propose the appropriate number against the position of Internal Auditor and Auditor considering the scope and requirement of the assignment.



7.2 Position, Description and Qualification requirements for different positions:

Qualification requirements are as follow:

Sl. No.	Key Staff Position	Number of position	Minimum academic qualification	Minimum relevant experience
1	Team Leader	1	Qualified Chartered Accountant having minimum 10 years of post -qualification experience.	Experience in supervising internal audit function in public and private sector organizations. Conversant in global best practices in conducting of internal audit, reporting.
2	Senior Internal Auditor	3	Qualified Chartered Accountant having minimum 8 years of post-qualification experience. International certification in Internal Auditing is preferable.	Experience in supervising internal audit function in public and private sector organizations. Conversant in global best practices in conducting of internal audit, reporting.
3	Procurement Specialist	1	Masters degree in any discipline/ B.SC engineering from a recognized University.	Minimum 8 years experience in Public Procurement Management.
4	Training Specialist	2	Masters degree in any discipline from a recognized University.	Minimum 10 years experience in conducting training sessions, for senior and mid-level public and private sector officials, on Financial management and Audit. Conversant with GoB financial system, General Financial Rules (GFR), Treasury Rules (TR), Subsidiary Rules (SR), GoB budgeting, accounting and auditing practices.
5	Internal Auditor		Partly qualified Chartered Accountant (Application Level)/ACCA/M.COM/MBA from a recognized Professional body/University with 2 years experience.	Experience in internal audit function in public and private sector organizations.
6	Auditor		M.COM/MBA from a recognized Professional body/University with 1 years experience	Experience in internal audit function in public and private sector organizations.

