



Swedish Committee for Afghanistan

Date: 20/05/2019

To: Interested Bidders

From: Swedish Committee for Afghanistan, Kabul Management Office

No. of Pages: Fourteen (14) with three sections (Sections 1-3)

Subject: RFP ref: KMO- PU- 2019-SC-18
CSOs financial study and establishing a basic financial system

REQUEST FOR PROPOSAL (RFP) No. KMO- PU- 2019-SC-18

Dear Sir/Madam:

The Swedish Committee for Afghanistan, Kabul Management Office (hereinafter called “the SCA” invites you to submit your quotation for CSOs financial study and establishing a simple financial system (hereinafter called “the Service”) of SCA partner organizations in 2019 as specified in the Request for Proposal and attachments hereto (hereinafter called “the RFP Documents”).

Tender Instructions

1. You must submit your technical and financial proposal for all service in respect to this RFP.
2. Your quotation shall be addressed and submitted at the below specified address or email address no later than 30th May 2019 :

Swedish Committee for Afghanistan
Jalalabad Main Road, Paktia Kot
PO Box 5017
Kabul Afghanistan

Attn.: Procurement Unit, Administration Department;
Manager Email: bids@sca.org.af

3. Any quotation received by the SCA after the deadline will be rejected.
4. Your quotation and all correspondence shall be made in the English language.
5. Your quotation shall be according to these instructions:
 - a. It shall contain the completed forms in Sections 2 and 3. Failure to complete these forms may result to rejection of your quotation
 - b. All prices quoted shall be made on the terms specified in the RFP documents
 - c. All prices shall be quoted in dollars
 - d. All prices shall be quoted including taxes: Ref: Article 72 of Afghanistan Tax Law. International companies 7%
 - e. Your quotation shall be valid for a period of 30 days past deadline for receipt of quotation
 - f. Your quotation shall bear the RFP Reference Number and Title indicated above.

6. SCA will examine the received quotations to determine its completeness and whether there are computational or arithmetical errors, whether documents are properly signed, and whether the quotations are general in order. Arithmetical errors will be rectified as follows:
 - a. If there is a discrepancy between the unit price and the line item total, the unit price shall prevail and the line item total shall be corrected, unless there is an obvious misplacement of the decimal point in the unit price, in which case, the line item total as quoted shall govern and the unit price shall be corrected.
 - b. If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotal shall prevail and the total shall be corrected.
7. Prior to the price evaluation, SCA will determine the substantial responsiveness of each quotation. A substantially responsive quotation is one, which conforms to all the terms and conditions of the RFP documents without material deviations. Deviations from, or objections or reservations to critical provisions will be deemed to be material deviation. The SCA may waive any minor informality, or irregularity in a quotation, which does not constitute a material deviation, reservation or omission.
8. During evaluation of the quotations, the SCA, at its discretion, may ask you for a clarification of your quotation. The request for clarification and the response shall be in writing, and no change in the prices or substance of the quotation shall be sought, offered, or permitted. Failure to respond timely to a request for clarification may result in the rejection of your quotation.
9. If a quotation is not substantially responsive, it will be rejected by the SCA and may not subsequently be made responsive by correction of the nonconformity.
10. The SCA shall compare all substantially responsive quotations to determine the quotation containing the best Quality and Cost.
11. Award will be made to the company whose quotation is determined substantially responsive to the requirements of the SCA and whose quotation contains the best-evaluated price, based on Quality and Cost Selection.
12. The SCA reserves the right to accept or reject any quotation, and to annul, in whole or in part or to suspend the process and reject all quotations at any time prior to the award, without thereby incurring any liability to the affected company or companies or any obligation to inform the affected company or companies of the reasons for the SCA's action.
13. Nothing in or relating to this RFP shall be deemed a waiver, expressed or implied, of any of the privileges and immunities of the SCA.
14. Please note that the SCA will notify unsuccessful companies.
15. Please address all your queries or questions in writing at the address given below and kindly refrain from any telephone calls or personal visits.

Swedish Committee for Afghanistan, Kabul Management Office
Email: bids@sca.org.af

Requirements of the Company:

1. Valid certificate of business registration
2. Company Bank Account
3. Local firms must have Tax Identification Number (TIN)

Proof of the above must be provided along with quotation otherwise the offer may be disqualified.



Section 1

Terms of Reference for CSOs Existing Financial Practices Study and Basic Computer based Financial System

1. Introduction

Swedish Committee for Afghanistan (SCA) is a membership-based, non-governmental organisation working in Afghanistan since 1980. SCA's vision is an independent Afghanistan in peace, where human rights are respected, rural communities are empowered, and all Afghans have the right and opportunity to democratic participation in the governance of their country.

The work encompasses programmes for education, health, support to persons with disabilities and rural development. There are also support units for all programme activities relating to civil society, human rights & gender, communication and advocacy. SCA's main target group is the rural population, specifically women and girls and people with disability. SCA's operations include capacity development, advocacy and service delivery. The work is always conducted in close cooperation with the local population. The management office is situated in Kabul, while operations are carried out in 14 provinces from 5 Regional Management Offices (RMOs) and 2 Liaison Offices (LOs).

2. Background Information and Rationale

SCA assists several civil society organizations and community-based organizations in provincial level in the areas of organizational development, capacity development and advocacy. These organizations are Disabled People Organizations (DPOs) and Teacher Elected Councils (TECs). Most of these civil society organizations practice managing their financial resources manually using paper and pen while a number CSOs hold basic computer based financial systems mostly using MS. Excel. This has caused majority of these organizations to face problems in generating financial plans and reports as needed by the donors.

In 2017 after suspending grants for the CSO partners for a year, SCA conducted partners' capacity re-assessments as part of a strategy to decide on the funding of its granted partners. The overall purpose of the re-assessment was to find out where the partners stand in terms of their capacity to manage SCA grants. The focus of the capacity re-assessment was on organizational and financial capacities of partners.

The assessment reports identified common capacity gaps of those re-assessed 1) Organization capacity: Fund raising, Human Resource and Code of Conduct, 2) Financial Capacity: Budget process, Financial system, internal control and reporting process.

Based on the re-assessment, each partner was categorized as high risk, medium risk and no risk. The SCA team with the partners developed a capacity development plan that covered the capacity gap areas. The present ToR focuses on developing a basic computer based financial system, whichever is applicable and suitable to the nature of SCA CSO partners.

3. Objectives of the study

The purpose of the study is to identify the current CSO partners' financial management practices and the associated challenges they face while managing their financial resources. Based on this understanding, build on what works and recommend applicable measures for strengthening their financial system. SCA and CSO partners, together, develop a better financial management control, accountability and transparency as well as accurate, smooth and effective flow of information. Specifically, the objectives of the study are presented as follows:

- Study existing practices and identify what works to meet basic financial management requirements and the challenges of the CSOs financial management system
- Building on what works, identify new processes, components and tools to address the challenges in the current financial management practices
- Analyze and design the key control functions and financial management procedures to mitigate potential financial management risks
- Once agreed, develop a simple unified basic computer-based financial system for the CSOs with recommended basic computer applications, which is applicable and practical
- Once agreed, orient CCU and CDMU coordinators in the developed simple computer based financial system

4. Scope of the study

A financial management information system (FMIS) plays an important role in the successful implementation of granted project resources by enabling project control and reducing project financial risks, by improving budget absorption, accountability, transparency and control over financial activities and achieving the overall objectives of the partner organization. The use of a FMIS simplifies and automates the processing of transactions and the reporting of financial information. An effective FMIS provides supports to an organization to the following areas:

- Budget preparation, execution, adequate management of accounts and allows donor-specific reporting
- collects timely, complete, accurate and reliable information
- facilitates development of financial statements and provides an internal financial system to compliance review

This assignment is expected to take 20 working days. The assignment is expected to be carried out during July 2019. SCA partners that are volunteer-based associations have accomplished many big and small projects for several years and adhere to the SCA financial regulations for CSOs. Among them there are DPOs and TECs with a project team each, that manage granted projects financial resources and on a regular basis report on the project

grants utilization. These partners are in different provinces where SCA regional management offices provide required technical assistances.

To implement projects, partners recruit an admin and finance officer as part of the project team to manage financial resources manually using paper and pen while several of them hold simple computer- based financial systems mostly MS.EXCEL, which is indeed not a comprehensive computer based FMIS to generate the required financial records and financial statements. These systems used by CSO partners are the tools and templates designed by CCU and the CSO partners themselves which has helped them to do project budgeting, making accounting records and financial reports as per the contract and when it is needed.

The consultancy will study and look at the current practices and identify challenges that exist in managing financial resources by the SCA partners. Based on the study findings and identified challenges the consultancy shall recommend whether to build on what works and develop new process and components that address the challenges in the current financial management system or recommend a simple computer-based financial management system with recommended basic computer-based applications applicable to the partner organizations. As a result of the study once the bases of the financial system are decided, then the consultancy shall develop computerized applications or computer based financial system which will be in Ms. Excel showing up in both English and Farsi languages which should be in line with the CSOs nature of interventions and applicable for all these partner organizations. The recommended system should enable partners to automate/accelerate entering financial transactions and process of the accounting records and generation of financial statements/reports needed to fulfil internal and external purposes at different points. The study focus areas are listed below to consider while developing the basic computer-based FMIS, which shall be responsive and systematically follows a logical link considering the Generally Accepted Accounting Principles (GAAP):

- General Ledger and Chart of Accounts
 - ❖ General Ledger
 - ❖ Chart Of Accounts
 - ❖ Control of Chart of Accounts
 - ❖ Account Structure (National / Donor)

- Petty Cash System
 - ❖ Funding
 - ❖ Custodian
 - ❖ Vouchers
 - ❖ Fund petty cash boxes
 - ❖ Reconciliation
 - ❖ Replenishment and recordation

- Expense Allocation System
 - ❖ Vouchers
 - ❖ Allowable / Unallowable Expenses
 - ❖ Project Codes
 - ❖ Authorization / Approval System

❖ Documented Basis for Allocation

- Financial Management Documents / Templates
 - ❖ Spending Plan Template
 - ❖ Expense Distribution Report / Tracking
 - ❖ Spending Analysis (Evaluation)

- Common Forms and Instructions
 - ❖ Receipt for Cash Payment
 - ❖ Receipt for Cash Deposit
 - ❖ Cash Advance Liquidation / Reimbursement Requests
 - ❖ Cash on Hand Report
 - ❖ Cash Advance Request
 - ❖ Expense Voucher
 - ❖ Travel Expense Report
 - ❖ Timesheets

- National / Donor Reporting
 - ❖ Reporting Schedule
 - ❖ Monthly Financial Reports
 - ❖ Cash Count Report
 - ❖ Inventory Year-End
 - ❖ Accrued and Pre-Paid Expense
 - ❖ Accrued Leave (Vacation)
 - ❖ Banking Information
 - ❖ Bank Annual Reports
 - ❖ External Audit of Books
 - ❖ Timesheets
 - ❖ Taxation

- Inventory of Physical Assets
 - ❖ Office
 - ❖ Equipment (Non-Computer)
 - ❖ Computer (various)
 - ❖ Audio / Visual
 - ❖ Printing / Copies
 - ❖ Telephone / Fax
 - ❖ Furniture
 - ❖ Vehicles

- Internal Control General Rules
 - ❖ Bank Reconciliation
 - ❖ Budget follow up
 - ❖ Physical verification of fixed assets

- Payroll Management
 - ❖ Employee Time Tracking
 - ❖ Payroll Taxes
 - ❖ Tax Remittances

- ❖ Payroll Reports
- ❖ Payroll Recordkeeping
- ❖ Payroll Controls

5. Approach and Methodology

The Consultant will work closely with CCU-CDMUs and partners as the designated contact point is setting up meetings, exchanging information, providing documentation and organizing the FMIS orientation to SCA-CDMU staff. The consultants will collect quantitative and qualitative data through the following methods:

- Desk study and review of all relevant project financial documentations
- In depth interviews to gather primary data from the CSOs head, finance and treasurer
- Interview with CCU grants section
- Observations by visiting CSOs in Mazar and Jalalabad RMOs level (sampling method)

The consultant will prepare an inception report prior to the commencement of the study and development of the FMIS. The inception report will present the proposed methodology of studying/assessing partner existing practices, identifying challenges with a proposed timetable for the entire process. Afterward, the consultant deploy to Mazar and Jalalabad Regional Management Offices to visit partner organizations and study what works well and identify challenges exist in the partners financial management system. After the study is completed the consultant will come up with a detailed financial study report that will demonstrate findings and challenges. The financial study report will conclude with a recommendation and option for developing simple computer based financial system with its guidance manual that suits partner organizations. Once the FMIS is developed, the consultancy firm will facilitate an orientation session on the FMIS and its applications for the CDMU coordinators in KMO (Kabul management office).

During the study course, the consultancy will visit following partner organizations in Mazar and Jalalabad provinces further seek how financial resources are being managed and what are the potential challenges that retard resources financial management.

Type of Org.	Name of Org	Province	
Disabled People Organization (DPO)	Afghan Association of Blind (AAB)	Mazar	
	WDSA-Mazar		
	Balk Hearing Impaired Association (BHIA)		
	Nangarhar Blind Social Association (NBSA)	Jalalabad	
	ADOH		
Teacher Elected Council (TEC)	Mazar PTEC	Mazar	
	Behsood PTEC	Jalalabad	

6. Management of Task

The Civil Society and Capacity Development Unit ensures the implementation of this TOR. Samiullah Saqikhell, Grants Controller, is the contact person for the financial study and for facilitating relevant documents from the partner organizations to the assigned firm. The major roles and responsibilities of SCA include:

- SCA will provide relevant partners information and documents.
- SCA will provide transportation during the study within Afghanistan for Mazar and Jalalabad . Office space and accommodation will be provided during the field visit. (Food is not included)

The consultant is responsible to fulfill the following:

- Conduct the study and submit the findings final report
- Submit the deliverables as described in this ToR.
- Develop a basic computer based system lead to short term training of the system.
- On-time completion of the assignment.

7. Professional Qualifications

consultancy firm shall provide complete details of the consultants' relevant work experience in financial management and financial management system development with a complete list of undertaking similar assignments in the past. The consultancy firm should also comply with a minimum qualification of:

- a) Master's degree in the fields related to Finance and/ or Organizational Development
- b) At least five years working experience in recognized organizations in the field of system development/ Organization Development and setting up policies and procedures in finance and organizational development and management
- c) Strong communication and writing skills
- d) Ability to work independently using initiative to complete projects and prioritize workload efficiently
- e) Ability to work in a multi-tasked and multi-deadlines environment with strong management experience

8. Proposal Submissions

- Interested firms are required to submit a technical proposal clearly outlining
 - a) Their understanding of the terms of reference
 - b) Company profile
 - c) Methodology for conducting the study of existing practices and challenges that result on the development of an applicable computer-based financial system which is applicable to the CSO partners.
- Financial Proposal detailing the consultant(s) professional fees and any other costs related to this consultancy
- 2 samples of previous studies conducted by the consulting company
- Relevant financial study related certification
- Demonstrated experience in conducting financial study of CSOs
- A team of qualified professionals with financial management and organizational development experiences, CVs shall be attached to the offer.
- Good writing and spoken skills in English and local languages

9. Deliverables and Timelines

The total duration for the study, FMIS development and orientation should not exceed 20 days. Reports will be written in English language.

Deliverables:

Deliverable 1: Submission of inception report and approval by CCU Manager/ Grants Controller.

Deliverable 2: Submission of financial study report on the existing practices and challenges the CSOs face and approval by CCU Manager/ Grants Controller.

Deliverable 3: Orientation of the basic computer based financial system for the CDMU coordinators and CDFs , the orientation session will held in (KMO) Kabul Management Office.

Deliverable 4: Submission of the first FMIS package for CCU review.

Deliverable 5: Submission of study completion report with an overview of what works and the existing challenges partners face in managing financial resources.

Timeline:

The consultancy shall submit the deliverables described above in accordance with the following deliverables schedule:

Deliverable Number	Deliverable Name	Due Date
1	- Annoucement	20/5/2019
2	- Kick off Meeting	5/7/2019
3	- Submission of inception report and approval by CCU Manager/ Grants Controller	9/7/2019
4	- Submission of financial study report on the existing practices and challenges the CSOs and CBOs face and approval by CCU Manager/ Grants Controller	18/7/2019
5	- Submission of the first FMIS package for CCU review	25/7/2019
6	- Orientation basic financial system for the CDMU coordinators.	27/7/2019
7	Study completion report: - List of CSOs and CBOs visited - Completion report providing an overview of the challenges partners face while making accounting records and financial reports. - Overview of the FMIS (A basic computer based financial system)	29/8/2019

Contractual Conditions

Contact Person:

The Civil Society and Capacity Development Unit and Finance Department of SCA works together to ensure the implementation of this TOR. Samiullah Saqikhell, Grants Controller, is the contact person

for the financial study and for facilitating relevant documents from the partner organizations to the assigned firm.

Confidentiality:

All information in the contract between the two parties shall be considered as confidential and not be shared with anyone unless legally obliged to do so.

Payment terms:

The consultant shall invoice SCA for the fee in accordance with the deliverables of the work mutually agreed by SCA and the consultant based on the following terms of payment:

Terms	Payment %	Time of Payment
First	30 %	will be paid after the approved inception report
Second	30 %	Will be paid once the FMIS package introduced and finalized
Third	40%	will be paid at submission of clearance letter to the client

Currency:

Invoice and payment will be in Afghani (AFN).

Transportation/Accommodation:

SCA will provide transportation and accommodation during the assignment within Afghanistan for field visits (Mzaar and Jalalabad). Office space will be provided. (Food is not included)

Documentation

SCA will provide relevant Partner Organizations project-related information and documents.

Evaluation

The evaluation is quality and cost-based selection, 70% for quality and 30% for the cost. The contract will be provided to one service provider only.

Quality Evaluation (technical)

The following criteria will be applied.

1. Institutional capacity/credentials – maximum 18 points
 - company profile, relevant to the TOR
 - organizational capacity to conduct the scope of work, experience with similar organization
 - Previous experience in financial study
 - Previous experience in Afghanistan in conducting financial study
 - Qualification of the assessment team
 - Team organization for the study

Each is scored 0-3 points, minimum is 12 points (2 each) to qualify.

2. Technical proposal – maximum 21 points
 - Approach and methodology
 - Data/information collection and interpretation
 - Quality control
 - Planning
 - Execution
 - Reporting
 - Deliverables

Each is scored 0-3 points, minimum is 14 points (2 each) to qualify

3. Technical proposal comprehensiveness – demonstrates understanding of all aspects of the technical design, maximum 6 points
 - Understanding of the TOR, relevant and good proposal
 - Completeness of the proposalEach is scored 0-3 points, minimum score is 4 (2 each) to qualify.

Maximum points: 45

The Consultant needs to reach a minimum of 12/14/4 in each category (1-3) above and minimum 2 points in each sub-category. The minimum technical score to pass is 30. Each quotation will be given a technical score and rejected at this point if it fails to achieve the minimum technical score. Quotations that passed the minimum technical score is qualified for financial evaluation.

Financial evaluation

The lowest priced quotation will be given the maximum financial score of 45 points. The financial scores of other qualified quotations will be computed as follows: Financial score = 45 x Lowest price/price of relevant quotation.

Final evaluation score

The quotations will be ranked according to the combined Quality Evaluation and Financial Evaluation scores using the following weights: T = Quality evaluation weight, 70%; F = Financial evaluation weight, 30%

Final score = 0.7 x T + 0.3 x F

Award of contract

Award will be made to the company whose quotation achieved the highest combined technical and financial score. If the final score is equal between two bidders, the score of quality will prevail.



Swedish Committee for Afghanistan

Section 2 – Quotation Forms

(Complete and sign the Quotation Forms and Section 2 Additional Requirements)

Section 2 – A QUOTATION SUBMISSION FORM

Date: (Bidder to insert the date)

RFP No: KMO- PU- 2019-SC-18 ; Service for Financial Study and Development of a basic Computer Based Financial System.

To: Swedish Committee for Afghanistan
Kabul Management Office

Dear Sir/Madam:

We acknowledge receiving your RFP Documents and its accompanying attachments. We, the undersigned, have examined the same and offer to provide the financial study of CSO partners that conforms with your RFP No. KMO- PU- 2019-SC-18

We agree to abide by this quotation for a period of 120 calendar days past the deadline for the receipt of quotation as specified in RFP. Our quotation shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept the lowest or any quotation that you may receive.

(Bidder to insert name and signature of duly authorized representative)



Section 2 – B

QUALIFICATION INFORMATION FORM

General Information

1. Name of Bidder:
2. Street Address: Postal Code:
3. P.O. Box and Mailing Address:
4. Telephone Number:
5. Fax Number:
6. E-mail address:
7. www Address:
- 8a. Contact Name:
- 8b. Contact Title:
9. Type of Business:
10. Year Established:
11. Number of staff employed:



Swedish Committee for Afghanistan

Section 3

CONSULTANCY COST/PRICE SHEET

Items	Unit	Qty	Price (AFN)	Sub-total (AFN)
Consultant's fees	Lump Sum	1		
basic computer based financial system	Package	1		
Additional cost				
Total				
Comments				

Note : SCA will deduct all applicable taxex from your payment so please consider it in your price.