

Family Planning Association of Nepal

Terms of Reference (TOR) for consultancy service to conduct a capacity assessment / building exercise on cash flow/working capital planning and management system

(First Date of Publication: 9-May-2025)

1. Background:

Family Planning Association of Nepal (FPAN), established in 1959, is the first and foremost NGO to work for advocacy of, increasing awareness on and increasing access to family planning (FP) and sexual and reproductive health (SRH) in Nepal. It has started FP and SRH programs even before the Nepal government launched its own Family Planning and Maternal and Child Health Project in 1969. FPAN has been a member association of the International Planned Parenthood Federation (IPPF), since 1969. This has made FPAN a locally owned, globally connected civil society, enabling it to advocate for, to increase awareness on, and to provide a wide range of SRH service and rights (SRHR) to everyone without any discrimination by gender, age and socioeconomic status. As a member association of IPPF, we share a common vision that all people are free to make choices about their sexuality and wellbeing, in a world without any discrimination. FPAN works in 29 districts, focusing on the poor, marginalized, socially excluded, and underserved (PMSEU) populations, which include female sex workers, people living with HIV (PLHIV), LGBTIQ people, people who inject drugs (PWID), men who have sex with men (MSM), migrant workers, people with disabilities, survivors of sexual gender-based violence (SGBV), urban slum dwellers and people affected by disaster and crisis.

2. Objective of Assignment

- 2.1 To conduct an assessment of FPAN's present Working Capital Policies and Practices and suggest improvements.
- 2.2 To propose Cash Management System.
- 2.3 To recommend Strategies to build a cash reserve.
- 2.4 To conduct capacity-building sessions.
- 2.5 To review of FPAN Financial Policy 2022.

3. Scope of Work and Deliverables

4.1 Work Deliverable 1 – Conduct an assessment of FPAN's present Working Capital Policies and Practices and suggest improvements:

- Review the banking and working capital management capacity of FPAN for the past three years.
- Analyse the Cash flow cycle and assess the reasons for frequent cash flow deficits and resulting operational issues.

4.2 Work Deliverable – 2: Propose Cash Management System that includes:

- Budgeting and forecasting: Develop a cash flow forecast to anticipate inflows and outflows of cash for each quarter.
- Monitoring and collection process to ensure timely payments for inflows.
- Managing payments: Schedule payments to align with cash inflows to maintain a positive cash flow at all times.
- Regular review and analysis of cash flow statements at SMT meetings to ensure ongoing positive cash flow.

- Controlling expenses: Identify areas for reducing costs without compromising quality

4.3 Work Deliverable 3- Recommend Strategies to build a cash reserve:

Maintain a sufficient cash reserve to cover unexpected expenses or periods of low income. Aim for a reserve of three months of operational costs with the bank that FPAN deals with on an auto-replenishing basis when income is received.

4.3 Work Deliverable 4- Conduct capacity-building sessions

At the commencement and conclusion of this assessment to the leadership team of FPAN and assign the role of implementing the proposed Cash flow management system to the Finance Director. The consultant must facilitate one day capacity building session to FPAN staff members and FPAN will manage its logistic and participants cost.

4.5 Work Deliverable 5: Revision of FPAN Financial Policy 2022

Review current finance policy of FPAN and make necessary revision on it as per feedback given by external & internal auditors, as current practice of FPAN, as current requirement of I/NGO as well as requirement of IPPF accreditation. On the other hand, an amendment of current SOP (Finance) wherever are required which has been implemented by FPAN now.

5. Assignment Timeline:

The assignment should follow the following timeline for the completion. The proposed and recommended time frame for this assignment will be of 2 months contract since the start of the contract.

| Deliverables | Estimated duration to complete | Target Dues Dates |
|--|--------------------------------|-----------------------------------|
| 1. Conduct an assessment of FPAN's present Working Capital Policies and Practices and suggest improvements | 10 days | 2 nd Week of June 2025 |
| 2. Propose Cash Management System | 7 days | 3 rd Week of June 2025 |
| 3. Recommend Strategies to build a cash reserve | 5 days | 1 st Week of July |
| 4. Conduct capacity-building sessions | 5 days | 2 nd week of July 2025 |
| 5. Revision of FPAN Financial Policy 2022 | 15 days | End of July 2025 |

6. Knowledge and Experience:

To complete this task, the consultant/consultancy firm should have following experience and qualification:

- Must be registered with ICAN.
- Must be a firm of qualified chartered accountants.
- Must not be debarred by ICAN or any other authority in Nepal during last 5 FYs (A self-declaration on this will suffice).
- Must have a team of qualified chartered accountants with one member having at least 10 years of financial management experience in NGOs/INGOs.

- v. Must have experience of at least 7 years of conducting statutory audits & tax audits of NGOs/INGOs having similar functions as of FPAN.
- vi. Must have sound proficiency and experience on similar type of consultancy (such as experience of providing financial management training, development of financial and other policy and mainly focus for not profit organization).
- vii. Familiarity of public financial management and accountability in the public sector.
- viii. Familiarity with financial policies, procedures and manuals of the Government of Nepal
- ix. Understanding of statutory regulations and compliances for civil society organizations in Nepal will be added advantage.
- x. Strong interpersonal skills and ability to dialogue with diverse stakeholders to create consensus around issues and capable of working in multi-cultural environments.
- xi. Proficiency in both written and spoken English and Nepali is necessary.

7. Submission of Proposal:

Interested consultant/ consulting firm can submit their proposals demonstrating their ability to deliver on this assignment based on their qualifications and experience by **23rd May 2025** on or before **17:00 Hours**. Any Proposals received by the FPAN after the deadline shall not be accepted and shall be returned unopened to the consultant/ consulting firm upon request.

Components of documents and sealing and marking of proposal:

The consultant/consulting firm shall prepare both the **“Technical”** and **“Financial”** proposal. In the cover letter of proposal, the consultant/consulting firm must have to mention **“Capacity assessment/ building exercise on cash flow/working capital planning and management system ”**. The consultant/consulting firm shall seal the proposal in **one outer** and **two inner envelopes** (1. Technical proposal and 2. Financial proposal). The outer envelope should mention - FPAN, Pulchowk and, marked as: “capacity assessment/ building exercise on cash flow/working capital planning and management system.” The consultant/consulting firm shall submit the request for proposal (RFP) in properly sealed envelope containing the following duly signed documents:

- Cover letter clearly demonstrating the suitability of applicant for stated assignment (Maximum 3 pages),
- Curriculum Vitae (CV/CVs) of the proposed team member/s /individual/s to be involved in this assignment/review that indicates their experience, capacity and capability to undertake the scope of work within the specified timeframe (Maximum 3 pages each),
- Description experience in undertaking similar assignment especially in field of similar or same information system development or at least one example of previous similar work,
- Two references or appreciation letters from agencies to whom the consultant/ consulting firm has provided services described in this ToR,
- Proposed approach for the consultancy, supported by a project plan with timeliness indicating the key activities, milestones and deliverables; and
- The financial proposal should show detailed breakdown of costs professional fee and other expenses. The cost estimates should be in local currency. Please indicate daily rate and number of days' work. Fees should exclude VAT. Where indicated, VAT should be shown separately.

The two inner envelopes shall mention the name and address of the consultant/consulting firm and should be clearly marked with “Technical Proposal” and “Financial Proposal”. Altogether, there should be one

separate sealed envelope for the **technical proposal** and one separate sealed envelope for the **financial proposal**. The consultant/consulting firm having any queries regarding the ToR can send an e-mail to procurement@fpan.org.np. Answers to questions of the consultant/consulting firm will be sent by email.

Note: If a consultant/consulting firm submits the financial proposal (budget) within or in the same envelop as the technical proposal, it will be automatically disqualified.

8. Criteria for Selection:

Before conducting the technical and financial evaluation of the proposals received, the FPAN's evaluation committee will perform a preliminary examination of these proposals to determine whether they are complete, whether any computational errors have been made and whether the documents have been properly signed. A two-stage procedure (combined scoring method) is utilized in evaluating the proposals, with evaluation of the technical proposal being completed prior to any price proposal being opened and compared. The technical proposal is evaluated on the basis of its responsiveness to the ToR. The evaluation committee will evaluate the technical merits of all the proposals which have passed the preliminary examination of proposals. The evaluation of the proposal will be based on Combined Scoring method – where the technical evaluation is given 60% weightage (which pass the minimum technical score of 60%) and financial offer will be given 40% weightage. The contract will be awarded to the consultant scoring the highest combined scores. An evaluation committee in FPAN Head Office will evaluate the technical and financial proposal based on ToR, other eligibility criteria and the following considerations:

9. Compliance based eligibility criteria

9.1 Eligibility Criteria:

The sealed proposal is open to registered consultant/consulting firm with eligibility criteria specified below:

- Up- to- date Firm/Company Registration Certificate,
- VAT and PAN Registration Certificates,
- Tax Clearance Certificate for the Fiscal Year 2080/81,
- Power of Attorney to sign the Sealed technical and financial proposal,
- Signed Document to support as mentioned in component of sealing and marking of proposal heading,
- The consultant/consulting firm shall submit their proposals manually in sealed envelopes,
- The sealed proposals shall be delivered to the FPAN at the address no later than the time and date specified in the ToR.

9.2 Technical Evaluation:

The following selection criteria will be used for technical evaluation of the proposals.

| Description | Score |
|---|-------|
| Completeness and Profile: Signed documents meeting Eligibility criteria. | 10 |
| Qualification: Qualification and competencies of the personal proposed for the assignment. | 30 |
| Experience: Specific experience of the lead consultant having at least 10 years of Financial Management. | 10 |

| | |
|--|------------|
| Relevant Experience: Prior experience of working on similar assignments in the field of organization development similar or same platforms. | 20 |
| Approach and methodology: Scope and appropriateness of services proposed; clear understanding by the applicant of work to be performed. | 30 |
| Total | 100 |

9.3 Financial Evaluation:

The submission that passed the minimum technical score of 60% of the obtainable score of 100 points in the evaluation of the technical proposals. In the second stage, the financial proposal of all consultant/consulting firm, who have attained minimum 60% score in the technical evaluation, will be evaluated. The financial proposal carries a total score of 40 points. In evaluating the financial proposal, the FPAN shall determine for each sealed proposal, the evaluated financial proposal by adjusting any corrections for errors. The financial proposal shall be checked by the FPAN for any arithmetic errors.

10. Cost and Payment:

The payment will be done in three installments based on below meeting deliverables and will be made as per government norms and regulation (e.g. tax deductions). The consultant/consulting firm should submit the total budget in the proposal with detail breakdown (Travel to field and accommodation will be provided by FPAN. Per diems will be based on FPAN standard per diems. FPAN will bear the training cost associated with training if it is required which will dealt separately. Fees must be quoted in local currency i.e NPR. Please indicate daily rate and number of days' work. Fees should exclude VAT. Where indicated, VAT should be shown separately) including applicable taxes except field and travel cost. The final product will be reviewed by FPAN before paid off agreed amount

| Milestone | Payment |
|---|----------------|
| Upon approval of inception plan by FPAN | 25% |
| Upon completion of Training | 50% |
| Upon completion of submission of the report on cash flow and working capital management system for FPAN | 25% |
| Total | 100% |

11. Copy Rights:

FPAN reserves the copyright of the produced materials. The consultant/consulting firm will not use the partial and full information collected in this task in any other purpose without taking prior approval from FPAN.

12. Ethics and Integrity:

The consultant/consulting firm will be expected to sign and adhere to FPAN's code of conduct and safeguarding on signing the contract. FPAN has zero tolerance to any form of fraud, corruption, abuse, harassment or exploitation. Any breach of our policies or misconduct will lead to disciplinary action or may lead to termination of the contract.

13. Accountability to Participants:

The consultant/consulting firm and its members are expected to support all efforts towards accountability, specifically to our participants and to international standards guiding international relief and development work, while actively engaging participant communities as equal partners in the design, monitoring and evaluation of our field projects.

14. Queries & Clarifications

For any query and clarification, please contact Mr. Nabaraj Dhakal, Finance Director.

Note:

FPAN reserves the rights to accept or reject all or any of the application. Failure to abide by the ToR may lead to termination of the contract. The terms not explicitly mentioned herein may be mutually agreed at the time of contracting.

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First Date 9th May 2025