

## TERMS OF REFERENCE

### SHORT TITLE OF ASSIGNMENT

Financial consultant for improving and strengthening MEHRD internal financial systems and capacity of Education Providers (EPs) and School leaders – Solomon Islands (ED040)

### BACKGROUND

In 2023, Solomon Island's Ministry of Education and Human Resource Development (MEHRD), with UNICEF technical support, conducted an Enabling Factor Assessment (EFA) as part of the system strengthening and accessing the Global Partnerships for Education (GPE) funds. The primary purpose was to assess various aspects of domestic Public Expenditure on education, including its volume, efficiency, and equity. It was a light exercise to review the existing financial policy of the Ministry and guidelines, identify key capacity gaps and propose areas for improvement.

The Enabling Factor Assessment report (2023) highlighted the Solomon Islands Government's (SIG) strong commitment to funding the education sector through domestic funding, constituting 28.3% of the total public expenditure during the fiscal year 2021/22.<sup>1</sup> The government funding demonstrates a significant allocation of resources towards education within the Solomon Islands, reflecting the government's prioritization of educational development and ensuring financial support to enhance the sector's capabilities and outcomes for children.

Significant capacity gaps and efficiency issues have been identified. Despite the Solomon Islands government (SIG) allocating substantial funding to the education sector through its budget, the Enabling Factor Analysis (EFA) report has identified several critical issues, including equity and efficiency in terms of the disbursement of funds between the Ministry of Education and the Ministry of Finance and Treasury. Improving the quality and efficiency of education spending is vital for effective financial management and allocation within the education sector to maximize the impact of limited available resources (IMF 2022). The report also revealed significant inconsistencies between budget and expenditure data reported by MEHRD and the Ministry of Finance and Treasury (MoFT). These inconsistencies pose challenges in accurately assessing the breakdown of expenditures across different education sub-sectors, hindering efforts to ensure transparency and accountability in financial reporting and management.

Apart from the domestic financing for education, the Ministry of Education and Human Resource Development (MEHRD) receives financial support from various development partners, including UNICEF, DFAT (Australia), MFAT (New Zealand), and other education partners. This support is crucial for implementing annual work plan activities and advancing education initiatives. In addition, MEHRD anticipates substantial funding from UNICEF, including GPE grants for system capacity and system transformation, DFAT, MFAT, and the Asian Development Bank (ADB).

To effectively manage these resources and optimize their utilization, MEHRD aims to enhance its financial capacity and systems. In line with the decentralization of the new Education Act (2023), the Education Providers and the newly formed Provincial Education Coordination Office (PECO) will be an active part of the resource management and new funding code, taking on roles and responsibilities in implementing and monitoring educational services as part of a decentralized model of delivering education services. This effort is vital for improving financial governance within the Ministry, ensuring accountability, and maximizing the impact of educational funding to schools and Education Providers (EPs). By strengthening the financial management practices of schools and EPs, MEHRD can better allocate resources to critical priorities, support sustainable educational development, and achieve long-term educational goals.

Against this backdrop, MEHRD, with UNICEF support through the System Capacity Grant (SCG), will strengthen internal finance management practices and capacity, focusing on grant management and

capacitating finance and accounting staff, training school leaders to manage school grants better and establishing a sound financial management system, including software accounting, in collaboration and coordination with the Ministry of Finance and Treasury (MoFT) financial system to ensure that MEHRD aligns with the government's Public Financial Management Act (2023) which sets public financial regulations and management for enhancing transparency and accountability.

### OBJECTIVE / SCOPE OF WORK

The financial consultant (TA) is expected to carry out MEHRD financial capacity assessment, identify gaps, and subsequently develop a detailed capacity plan to strengthen MEHRD's internal financial system and train and build the capacity of finance and accounting Education Providers, Provincial Secretaries, and Provincial Education Accountants staff, ensuring that it complies with financial policies, regulations, standards, and procedures set forth by the Ministry of Finance and Treasury (MoFT) and the Education Act 2023 and Public Financial Management Act (2013).

Under the overall leadership and guidance of the Permanent Secretary of the Ministry of Education and Human Resource Development (MEHRD), the TA will directly work with the Ministry's corporate services, including the finance and accounting division, and various relevant government Ministries, including MoFT. In addition to MEHRD training and capacity building, TA will train Education Providers (EPs), Provincial Secretaries, Chief Education Officers, Provincial Education Accountants, and school leaders in financial management for sound financial management systems of the new funding code in line with the New Education Legislative Framework (2023) to ensure the Ministry's financial management capabilities and align them with national public financial regulations and standards.

### Specific tasks

Key deliverables to carry out during the assignment are as follows:

1. Inception report outlining the assignment's scope, objectives, methodology, and initial findings.
2. Review and assess the Ministry of Human Resource and Development's current financial systems to identify key gaps and bottlenecks, including school grant manuals and processes,
3. Develop a Capacity Development Plan for MEHRD to improve the efficiency and reporting of the Ministry's financial system and align it with the national financial system through the Education Act (2023) and Public Finance Management Act (2013).
4. Provide capacity-building training for national and subnational-level teams (MEHRD finance/accounting Officers, EPs PECO, and Provincial Accountants).
5. Strengthen the MEHRD financial system (including financial automation/digitalization system) in line with the government's Financial Management Information System (FMIS) and Microsoft Dynamics 365 (D365)
6. Technical support and follow-up training

### ACTIVITIES, DELIVERABLES AND TIMELINES, PLUS PAYMENT SCHEDULE PER DELIVERABLE

ACTIVITY	DELIVERABLES	ESTIMATED TIME TO COMPLETE	PAYMENT (%)
1. Inception report	Prepare an inception report outlining the scope, objectives, methodology, and initial findings.		
2. Review and assess the current MEHRD financial system, including school grant manuals and processes	MEHRD financial assessment is carried out, and a diagnostic report is produced. (School grants manual reviewed)		

3. Develop a financial capacity-building plan for MEHRD and EPs	Capacity development plan produced and endorsed		
4. Capacity-building training for MEHRD, Provincial Accountants, and School Leaders	Financial capacity-building training conducted for MEHRD, EPs, and provincial accountants in line with the new funding code under the new legislative framework		
5. Support MEHRD to automate/digitalize the financial system of the Ministry and train finance/accounting staff of MEHRD and EPs	A financial automation/digitalization system is in place aligned to FMIS and D365 MEHRD Officers, Education Providers (EPs)		
6. Follow-up and technical support	Follow-up, supportive supervision, and technical support are needed to successfully implement automated/digitalized financial systems at MEHRD in line with the government financial management system.		

#### QUALIFICATIONS, SPECIALIZED EXPERIENCE AND ADDITIONAL COMPETENCIES

Bachelors  Masters  PhD  Other

*Provide details of the expected educational qualifications.*

##### 1. Education:

- A master's degree in finance, accounting, economics, business administration, or a related field is essential.

##### 2. Experience:

- A minimum of 8 years of professional experience in Practical Public Financial Management (PFM), financial management, analysis,
- Experience in strengthening institutional capacity building in the financial system, preferably in education or related social sector, is required.
- Proven ability to undertake financial management, analyze budget, identify potential risks, and implement mitigation measures.
- budgeting, financial reporting, auditing, financial risk management, and strategic financial planning.
- Experience and familiarity with the Pacific region and Small Island Developing States (SIDS) are highly desirable.
- Experience working in the social sector and coordinating various government Ministries, preferably in a decentralized context, is a great advantage.
- Experience setting up sound financial management systems and harmonizing and aligning national public financial management is needed.

##### 3. Skills:

- **Analytical Skills:** Ability to analyze financial data and budget, identify trends, and make recommendations based on findings.
- **Communication Skills:** Clear and compelling written and verbal communication to explain complex public financial management systems and identify concepts of bottlenecks
- **Problem-solving skills:** The ability to identify financial issues, propose solutions, implement strategies, and advise actionable recommendations.

- **Technical Proficiency:** In financial software and tools used for analysis and reporting.
  - **Other:**
    1. High-level interpersonal and relationship-building skills
    2. Ability to communicate effectively with persons of various cultures and disciplines.
    3. Ability to determine and review priorities and meet deadlines.
    4. Diplomatic skills to liaise with counterparts and different stakeholders.
    5. Good analytical, negotiating, and advocacy skills.
4. **Knowledge of Regulatory Framework:** Understanding of relevant Public financial regulations, standards, and compliance requirements is essential to ensure that consultancy services meet legal and regulatory obligations.
  5. **Ethical Standards:** Adherence to ethical standards and integrity in Public Financial Management in small developing countries.

#### CONDITIONS OF WORK AND CLARIFICATION ON SUPERVISION

The UNICEF Education Specialist based in the Solomon Islands will supervise the consultant daily in coordination with the responsible division of the Ministry of Education and Human Resource Development (MEHRD). The UNICEF Education Specialist will review and approve the deliverables for payment in consultation with the Pacific Chief of Education and Chief of Field Office in Honiara, Solomon Islands.

The consultant is expected to travel to the country for in-person work (estimated 45 days in Honiara) to support and meet MEHRD teams, meetings, and consultation with relevant government Ministries, including the Ministry of Finance and Treasury (MoFT) to develop and review the contract's intended deliverables. When working remotely, the consultant is expected to be available for discussions as required during working hours in the country. All costs associated with the trip are to be included in the total contract value.

#### ADMINISTRATIVE ISSUES

- Individuals engaged under a consultancy contract will not be considered “staff members” under the Staff Regulations and Rules of the United Nations and UNICEF’s policies and procedures. They will not be entitled to benefits provided therein (such as leave entitlements and medical insurance coverage). Their conditions of service will be governed by their contract and the General Conditions of Contracts for the Services of Consultants. Consultants are responsible for determining their tax liabilities and for the payment of any taxes and/or duties, in accordance with local or other applicable laws.
- The selected candidate is solely responsible for ensuring that the visa (applicable) and health insurance required to perform the duties of the contract are valid for the entire period of the contract. Selected candidates are subject to confirmation of fully vaccinated status against SARS-CoV-2 (Covid-19) with a World Health Organization (WHO)-endorsed vaccine, which must be met prior to taking up the assignment. It does not apply to consultants who will work remotely and are not expected to work on or visit UNICEF premises, programme delivery locations or directly interact with communities UNICEF works with, nor to travel to perform functions for UNICEF for the duration of their consultancy contracts.
- UNICEF offers reasonable accommodation for consultants with disabilities. This may include, for example, accessible software, travel assistance for missions or personal attendants. We encourage you to disclose your disability during your application in case you need reasonable accommodation during the selection process and during your assignment.
- No contract may commence unless the contract is signed by both UNICEF and the consultant.
- Consultant will be required to complete mandatory online courses (e.g. Ethics, Prevention of Sexual Exploitation and Abuse and Security) upon receipt of offer and before the signature of contract.

#### GUIDANCE FOR APPLICANTS

- This consultant is for individual consultants only. Candidates are requested to submit a brief technical proposal and CV.
  - Candidates are asked to submit a **separate financial offer** along with their application. The financial proposal should be a **lump sum amount for all the deliverables** and should show a breakdown for the following as applicable:
    - Monthly / Daily fees: based on the deliverables in the Terms of Reference above
    - Travel: economy air ticket to include two in-country visits to carry out the assignment
    - Living allowance: where travel is required
    - Miscellaneous: to cover visa, health insurance (including medical evacuation for international consultants), travel insurance, communications, and other costs
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