



Municipal Development and Lending Fund

Municipal Development Program (MDP IV – Cycle I)

Terms of Reference

Coaching and Supporting IFMIS Implementation in Selected Municipalities - West Bank

Ref. No.: MDP4C1-2.a/#7.F1

May 2025



1. Background:

The Municipal Development and Lending Fund (MDLF), as the national development agency in the local government sector, has been mandated to implement the Municipal Development Program (MDP), which is a multi-phase national program that has been financed by the Palestinian government and several international financing partners including Danish International Development Assistance (DANIDA), The World Bank (WB), German Development Bank (KfW), German Technical Cooperation (GIZ), French Development Agency (AFD), Swiss Agency for Development Cooperation (SDC), Belgian Technical Cooperation (ENABEL), and the European Commission (EC).

MDP in its fourth phase (MDP4) has been designed to contribute to the larger Palestinian government objectives related to strengthening local governments by enhancing their efficiency and effectiveness in managing their municipal affairs and moving them towards fiscal stability. MDP4 is a continuation of a national program series that provides financing incentives for the Local Government Units (LGUs) across the West Bank and Gaza Strip (WB&G), and it builds on previous phases.

MDP4 has five components, and this assignment is under the second component, which aims to enhance municipalities' capacities in different areas of expertise in financial management, operation and maintenance, administrative, social, technological, and service development. MDLF aims to assist municipalities in transforming from old bureaucratic paper-based institutions into modern service-oriented efficient electronic municipalities.

The MDLF, as the delegated implementation agency of MDP, intends to use parts of the Grant to contract a **Financial Consulting Company** (the Consultant) to perform specific tasks under the contract entitled “**Coaching Municipalities in Implementing the Financial System (IFMIS)**” at the selected municipalities¹ (total 24 municipalities) in West Bank as listed in Annex 1.

2. Background of the Assignment:

MDLF intends to implement the Integrated Financial Management Information System (IFMIS)². To ensure successful implementation, MDLF has conducted a capacity assessment of the nominated municipalities to determine their readiness for IFMIS. This assessment identified municipalities based on their ability to install and operate specific

¹ The selected municipalities were initially nominated for financial systems by the MDLF's procedures in granting capacity-building packages.

² The (IFMIS) is a system that Integrates financial processes executed by different related systems such as budget preparation software (BPS), General Ledger (GL), Revenue Management Information System (RMIS), Fixed Assets (FA), Human Resource including Payroll system (HR), and other systems to derive full benefits from performance-based public financial management.



financial system modules that align with their needs and potential for success.

It is important to note that implementing the full suite of IFMIS modules simultaneously across all nominated municipalities is not feasible at this stage. Therefore, MDLF will initially provide these municipalities with selected basic modules³. This phased approach will allow municipalities to build their capacity and prepare for the gradual implementation and operation of the complete IFMIS modules in the future.

Historically, the implementation of IFMIS has faced several challenges that have impeded its effectiveness and sustainability. Key issues identified in previous cycles include:

1. **Human Resource Constraints:** Many small to medium-sized municipalities are understaffed, limiting their ability to manage and sustain complex financial systems like IFMIS.
2. **Employee Readiness and Morale:** Municipal employees often struggle to balance daily responsibilities with the demands of integrating new financial systems, leading to decreased morale and implementation setbacks.
3. **Financial Team Challenges:** IT personnel and the Financial Team face cognitive and psychological barriers to adopting new financial systems, resulting in resistance and project withdrawals.
4. **Management Awareness:** A disconnect between municipal management and technical teams regarding the importance of financial systems leads to inadequate support and hesitancy during implementation phases.
5. **Conflicting Interests Among Software Providers:** Municipalities frequently encounter software providers who are reluctant to integrate their solutions with IFMIS, causing delays and compatibility issues.
6. **IT Staff Reservations:** In-house IT staff developing internal programs may resist incorporating new software solutions, leading to conflicts and delays.
7. **Educational Gaps:** Financial staff often lack backgrounds in accrual-based accounting, adding complexity to IFMIS implementation.

To address these challenges and build on the successes of previous cycles, MDLF has developed a revised coaching approach. This approach emphasizes enhanced communication, comprehensive virtual training, and a milestone-based payment structure to ensure the successful implementation and sustainability of IFMIS across all targeted municipalities. Additionally, based on lessons learned, MDLF recognizes the importance of maintaining robust support mechanisms and quality assurance processes, which are critical for overcoming the identified challenges.

³ Basic Modules of IFMIS will allow the municipalities to operate the full accrual basis. As for those municipalities which have limited capacity, they are allowed to implement basic modules of IFMIS. The basic modules are : GL, Budget and Fixed Assets



Project Phases:

Implementing the Financial Packages (IFMIS) will be accomplished through the following phases:

Phase one: Institutional Assessment for the Financial System's implementation (Completed)

Phase two: Supply the required ICT equipment to operate the Financial System. (Will be supplied in parallel with this assignment)

Phase Three: Coaching Municipalities in Implementing the Financial System (this assignment)

Phase Four: Supply and implement the Financial Software at the selected municipalities according to specified functional requirements. (will be performed in parallel with this assignment)

By integrating these phases with the revised coaching approach, MDLF aims to ensure that IFMIS is implemented effectively, addressing past challenges and fostering a sustainable financial management environment within the municipalities.

3. The objective of the Assignment:

The primary objective of this assignment is to strengthen the financial management capabilities of selected municipalities through effective coaching and supervision during the implementation of the Integrated Financial Management Information System (IFMIS). Specifically, the assignment aims to:

1. Enhance Capacity Building:

- Strengthen the capacity of municipal financial staff to handle comprehensive financial management responsibilities using IFMIS.
- Ensure that financial staff are proficient in applying financial policies and procedures outlined in the Financial Policies and Procedure Manual (FPPM) on a full accrual basis.

2. Facilitate Effective Communication:

- Establish and maintain robust communication channels between the consulting firm, municipal leadership, and other stakeholders to ensure alignment and prompt resolution of issues.
- Hire dedicated financial experts with communication skills within the consulting firm to manage and streamline interactions with municipal top management.



3. Implement Comprehensive Training Programs:

- Develop and deliver comprehensive virtual training environments that simulate the financial cycle within municipalities, enabling continuous learning and user engagement.
- Conduct hands-on training sessions to ensure that end-users are well-equipped to utilize IFMIS effectively, overcoming previous challenges related to employee readiness and morale.

4. Promote Accountability through Milestone-Based Payments:

- Align payments to the consulting firm with the successful completion of key milestones, such as User Acceptance Testing (UAT) for each municipality, to incentivize timely and quality project delivery.
- Ensure that the consulting firm remains accountable for maintaining high standards throughout the implementation and maintenance phases.

5. Ensure Quality Assurance and Continuous Support:

- Provide ongoing technical support and quality assurance to ensure that IFMIS functions align with the optimized financial processes of each municipality.
- Facilitate the transition of routine technical support responsibilities to the software provider post-UAT, ensuring sustained system performance and user satisfaction.

6. Document and Validate Implementation Processes:

- Ensure comprehensive documentation of all coaching activities, optimized processes, and system functionalities.
- Validate the accuracy of financial reports and system operations through rigorous testing and quality control measures.

By achieving these objectives, the assignment aims to ensure that IFMIS is successfully implemented and sustainably operated across all targeted municipalities, enhancing their financial management capabilities and contributing to local government decentralization and public financial management reform.

4. Scope of Work

In realization of the objectives of the assignment, the consulting company should adhere to the steps and procedures specified in the latest version of the Financial Policies and Procedures Manual (FPPM) on an accrual basis. The detailed documents about the structure of the chart of accounts, budget documents, guidelines for performing opening balances, reporting forms required by the Ministry of Local Government (MOLG), and the functional and non-functional requirements will serve as references that the consulting company must follow and be accountable for implementing. Additionally, the consulting firm will attend training sessions conducted by the **software provider to become oriented with the system's features.**



Dedicated Communication Channels: To facilitate prompt issue resolution and provide ongoing support, the consulting company will establish robust communication channels between the consulting firm and municipal top management. This ensures seamless coordination and effective problem-solving throughout the implementation process.

The consulting firm will work under the supervision of the MDLF and collaborate closely with the project team and other consultants and the software provider to ensure that all aspects are considered and implemented according to the objectives mentioned above and comply with the functional and non-functional requirements.

The consulting company is requested to provide technical support to MDLF in the process of evaluating the received bids to supply and install the financial software (IFMIS) which will include:

- 1- Identifying the evaluation criteria and propose the weight of each criterion. These criteria must be discussed and approved by the MDLF technical
- 2- evaluation committee.
- 3- Providing financial and technical advisory support to the evaluation committee that includes defining the strengths and weaknesses of each bidder.

Task One: Deliver an Orientation Session on the Consultancy Approach

To ensure a successful transition to the full accrual basis and effective implementation of IFMIS, the consulting company will undertake the following activities under Task One:

1. **Review Relevant Materials:**
 - **Comprehensive Assessment:** Review all materials related to IFMIS, including the IFMIS TOR, and FPPM based on the full accrual basis, charts of accounts, financial reports, and any other relevant documents. This review should evaluate the practicality and feasibility of applying these materials within the selected municipalities.
2. **Analyze Assessment Reports:**
 - **Municipality Selection:** Examine the assessment report developed by the institutional assessment company, which resulted in the selection of the targeted municipalities for this assignment. Ensure that the selected municipalities meet the minimum capacity requirements to qualify for IFMIS implementation.
3. **Develop and Deliver an Orientation Session:**
 - **One-Day Presentation:** Develop and deliver a comprehensive one-day orientation session for the financial staff of each selected municipality. This session should cover:
 - **Roles of Stakeholders:** Define the roles of each stakeholder in contributing to the fulfillment of the assignment's objectives.



- **Consultancy Tasks & Activities:** Outline the specific tasks and activities that the consultancy firm will perform during the assignment.
 - **Identifying Gaps:** Present the gaps between the current performance of the municipalities' financial staff and the requirements needed to implement IFMIS effectively.
 - **Accounting Cycle Changes:** Provide an outline of the changes that will be implemented in the accounting cycle due to the conversion to a full accrual basis.
 - **Enhanced Communication and Support:**
 - **Dedicated Communication Specialist:** The consulting company will assign a dedicated communication specialist to manage interactions with municipal top management, ensuring proactive issue resolution and sustained support.
 - **Virtual Training Emphasis:** Introduce the comprehensive virtual training environment that will facilitate continuous learning, attract end-users, and help them overcome challenges in understanding and utilizing the system effectively.
 - **Milestone-Based Payment Structure Explanation:**
 - **Incentivizing Success:** Explain the milestone-based payment structure tied to the successful completion of User Acceptance Testing (UAT) for each municipality, emphasizing the importance of timely and quality project delivery.
4. **Training Methodology and Best Practices:**
- **Small Group Training:** Conduct training sessions in small groups to ensure effective learning and participation, adhering to all necessary precautions and preventive measures regarding the security situation on the ground.
 - **Approval of Training Materials:** Ensure that all presentation materials are reviewed and approved by MDLF prior to the training sessions.
 - **Validation of Consultancy Understanding:** Develop the presentation in a manner that validates the consultant's comprehensive understanding of the assignment and the remaining tasks to be performed.
5. **Integration of Lessons Learned:**
- **Addressing Past Challenges:** Incorporate lessons learned from previous IFMIS implementations to enhance the effectiveness of the orientation session. This includes strategies to overcome human resource constraints, improve employee readiness and morale, and ensure effective stakeholder engagement.



Task Two: Theoretical Coaching on Conversion from Cash Basis to Accrual Basis Accounting

To establish a solid theoretical foundation for municipal financial staff, enabling them to understand the critical differences between cash-basis and accrual-basis accounting, the consulting company will undertake the following activities under Task Two:

1. Collaborative Process Mapping:

- **Current Process Review:** Engage directly with the financial teams of each selected municipality to map out their existing accounting processes. This involves documenting how transactions are currently recorded and managed on a cash basis.
- **Identify Gaps and Optimization Opportunities:** Identify discrepancies, inefficiencies, and areas for improvement that need to be addressed to transition to the full accrual basis. This includes recognizing which accounts and processes require changes or enhancements.

2. Theoretical Framework Development:

- **Understanding Accrual Basis:** Guide the municipal financial teams through the theoretical aspects of accrual basis accounting, emphasizing how it differs from cash basis accounting in terms of revenue recognition, expense matching, and financial reporting.
- **Implications for Financial Management:** Explain the impact of adopting accrual basis accounting on financial statements, budgeting, and overall financial management practices within the municipalities.

3. Joint Development of Conversion Requirements:

- **Account Identification:** Collaborate with the municipal teams to identify and define the specific accounts that will be used for generating opening balances. This includes determining necessary adjustments and classifications in line with the FPPM.
- **Documentation of Processes:** Develop comprehensive documentation detailing the optimized accounting processes required for the full accrual basis, ensuring alignment with the FPPM and the requirements for generating accurate opening balances.

Performing this task is subject to the following conditions:

- 1. An on-site expert must work closely with the municipal accounting team. This expert will also collaborate with the team to generate the opening balances.**
- 2. There must be no time gap between this task and the subsequent task, which involves generating the opening balances.**



Task Three: Generate the Opening Balances (Balance Sheet Line Items) as of the Latest Closed Month

Generating accurate opening balances is a pivotal task in transitioning from a cash-based to a full accrual basis of accounting. This task has been identified as a bottleneck in previous implementations, often causing delays and challenges within municipalities. To address these issues and ensure the successful generation of opening balances, the consulting company will undertake the following enhanced activities under Task Three:

1. Comprehensive Review and Assessment:

- **System and Document Evaluation:** Conduct a thorough review of existing financial and information management systems, including documents, and financial reports. Assess the practicality and feasibility of applying these materials within each selected municipality.
- **Guidelines Update:** Update the guidelines for performing the conversion to adapt from a cash basis to a full accrual basis, ensuring alignment with the latest version of the Chart of Accounts (COA) and the Financial Policies and Procedures Manual (FPPM).

2. Identification and Preparation of Accounts:

- **Account Identification:** Identify all accounts that need to be prepared for conversion from a cash basis to a full accrual basis based on the general accounting policies and reporting framework documents.
- **Data Quantification:** Prepare and quantify all required data for converting balance sheet accounts, including but not limited to accounts receivable, accounts payable, stores, prepaid expenses, accrued expenses, employees' end-of-service benefits, and other assets and liabilities.

3. Proactive Data Standardization and Committee Formation:

- **Standardization Phase:** Implement a proactive phase to standardize customer data before preparing opening balances, thereby saving time and reducing delays.
- **Specialized Committees:** Form specialized committees in collaboration with municipal management to monitor and reconcile critical accounts such as fixed assets, inventory, and accounts receivable. These committees will focus on addressing and mitigating delays in establishing opening balances.

4. Assistance in Register Updates:

- **Fixed Assets and Store Registers:** Assist the municipalities' financial teams in updating their fixed assets and store registers. Ensure that these registers are accurately updated and verified, leveraging the quantified and valued fixed assets from a separate assignment.

5. Verification and Justification:



- **Conversion Report Verification:** Perform necessary verification and justification for each account in the conversion report to ensure accuracy and compliance with full accrual accounting standards.
- **Sample Validation:** Validate the optimized processes using sample entries from live data to ensure that the opening balances are accurate and compliant with the FPPM.
- 6. **Coordination with Software Provider:**
 - **Template Acquisition:** Coordinate with the software provider to obtain detailed data on the required templates necessary for the accurate recording and migration of opening balances.
 - **System Alignment:** Ensure that the data provided aligns with the software's requirements, facilitating a smooth data migration and system integration process.
- 7. **Assignment of Resident Experts:**
 - **Resident Expert Deployment:** Assign a resident expert to each municipality for at least *twenty working days*. These experts will reside within the municipalities, working closely with the municipal accounting teams on all levels of detail.
 - **Practical Coaching:** Utilize the presence of resident experts as a practical coaching mechanism to facilitate the transition from cash to accrual-based accounting. This hands-on approach ensures real-time problem-solving and continuous support, thereby enhancing the effectiveness of the conversion process.
- 8. **Obtaining Declarations and Providing Breakdown Statements:**
 - **Data Accuracy Declarations:** Obtain declarations from each municipality affirming the accuracy and responsibility for the provided data used in generating the opening balances.
 - **Breakdown Statements:** Provide detailed breakdown statements for each account recorded in the opening balances, ensuring transparency and accountability in the conversion process.
- 9. **Comprehensive Documentation and Ownership:**
 - **Final Documentation:** Ensure that each municipality has complete documentation of their accounting cycles for both the mapping and optimization stages along with the generated opening balances. This documentation will be developed with active involvement from the municipal teams to ensure accuracy and ownership.
- 10. **Enhanced Support Mechanisms:**
 - **Dedicated Communication Channels:** Maintain robust communication channels between the consulting firm and municipal top management to facilitate prompt issue resolution and ongoing support.



Task Four: Supervise the Implementation of IFMIS

After completing the preparation activities in the previous tasks and once the opening balances are ready, the software provider will implement and deploy the IFMIS system in the selected municipalities. At this stage, the consulting company shall perform the following activities:

1. Collaborate with Stakeholders:

- Work closely with the software provider and other stakeholders (MDLF, MOLG, and selected municipalities) to develop a communication plan. Define the roles and commitments of each party to ensure effective coordination throughout the implementation process.

2. Review Implementation Plans:

- Review, provide feedback, and approve the detailed implementation plan, the user acceptance plan, and the user acceptance test provided by the software provider.
- Ensure these plans and tests meet the requirements for the successful installation and operation of IFMIS.

3. Assist with Data Migration:

- Oversee the data migration process to ensure accuracy and completeness. Verify that migrated data, including opening balances and legacy data, is accurate and aligns with system requirements.
- **Integration Testing:** Conduct rigorous integration testing to ensure that the financial software seamlessly integrates with other municipal systems and meets all functional requirements. Address any compatibility issues promptly to avoid disruptions.

4. Ensure System Compliance:

- Verify that the implemented system complies with the technical specifications and Functional/ Non-Functional requirements as per the contract with the software provider. Ensure that the system's functionalities align with the optimized processes established in previous tasks.

5. Supervise User Testing:

- Oversee the municipalities as they perform sample transactions using the IFMIS system. Ensure that end-users can operate the system effectively and generate accurate financial reports.

6. Evaluate System Performance:

- Assess the system's performance and identify any areas requiring improvement in terms of user experience and functionality. Provide recommendations for enhancements as necessary.

7. Conduct Quality Assurance:

- Perform quality assurance activities to ensure that all deliverables meet established quality standards. This includes reviewing test results,



identifying issues, and confirming that deliverables are attested and approved.

- **Customization and Optimization:** Customize the financial software modules to align with the optimized accounting processes developed in Task Two. Ensure that all modules (Budgeting, Procurement, Accounting (GL), Inventory, Fixed Assets, RMIS, and Financial Reporting) are configured to support the full accrual basis of accounting.
- **Feedback and Adjustments:** Collect feedback from municipal users during UAT and work with the software provider to make necessary adjustments and improvements based on this feedback.

8. Perform System Testing:

- Conduct various system tests, including data migration testing, usability testing, functionality testing, performance testing, security testing, and backup and restore testing. Ensure the system operates reliably and securely.

9. Implement User Acceptance Testing (UAT):

- Perform the UAT process to ensure that the system meets the functional and non-functional requirements and is ready for full operation.

10. Complete Compliance Documentation:

- Implement the system's compliance checklist provided by MDLF for each municipality. This will be performed after getting the correct reports for a trial period.
- Ensure that it is validated and attested by the respective municipality.

Finally, The consulting firm is responsible for performing different types of testing, which include, but are not limited to, the following:

- a. **Data Migration Data Testing.**
- b. **Usability Testing and User Interfaces Testing** (Include the standard hotkeys, field's sequence, informative/error messages, an error notification mechanism, etc.).
- c. **Unit Tests:** Testing the essential functions, Ad Hoc Query Testing, Interoperability Testing, Document Management Testing, else.
- d. **Modules Tests:** Full Test scenarios between modules, Workflow Testing, Integration Testing, Test technical essential functional requirements into a series of business cases, else.
- e. **Workload System Performance Testing:** This test shows the performance of the system over thousands of records; the system shall contain 300,000 records to check the speed Performance within 10sec.
- f. **Security Testing**
- g. **Backup & Restore testing:** guarantee **Reliability and Availability** for the system environment.
- h. **The User Acceptance Tests shall cover the following areas:**
 - ✓ Test Planning/Preparation
 - ✓ Operational Readiness Test



- ✓ General Design/Architecture Testing (TLA)
- ✓ Infrastructure Testing
- ✓ User Interfaces Testing
- ✓ Interoperability Testing
- ✓ Workflow/Messaging Testing
- ✓ Document Management Testing
- ✓ Security Testing
- ✓ Operations Testing
- ✓ Ad Hoc Query Testing
- ✓ Documentation Testing
- ✓ System Performance Testing
- ✓ Familiarization and Documentation of Systems Operating Practices: To obtain an understanding of application systems functions and features, system development activity, control points, and current utilization level by the user. To analyze and evaluate the adequacy of the documentation supporting transaction origination, data entry, data communication, computer processing, data storage and retrieval, and output processing.
- ✓ Review of Access Procedures and Controls: To determine the existence and adequacy of procedures and controls for accessing applications, databases, and systems.
- ✓ Evaluation of Application Change Controls: To ensure that practices and procedures provide adequate controls for changes made to the system.
- ✓ Evaluation of Transaction Integrity and Input Controls: To ensure practices and procedures provide adequate controls for all data entering the processing stream.
- ✓ Review of Contingency Planning: To ensure the continuity of critical processing by establishing a backup, business continuity, and disaster recovery procedures.
- ✓ Assessment of Physical and Environmental Controls: To ensure that a satisfactory level of security and control is maintained over physical access to the computer facilities.

By completing these activities, the consulting firm will ensure the successful implementation and testing of the IFMIS system, paving the way for sustainable operation within the municipalities.

4. Consultant Qualifications:

- A profound experience and credential records for the last five years in financial coaching and quality assurance.
- Proven engagement management and service delivery approach to conducting the assignment within organized phases and stages.



- Provide the expertise and team of experts with the below qualifications to be able to implement the assignment:

Title	Qualifications
Senior Advisory Manager / Team Leader	• Hold a professional degree in accounting (CPA/ACCA/CMA or Master in Accounting) or any other related field. • At least 12 years of experience in the financial and accounting field • Have previous experience as a team leader in similar assignments. • Have prior experience in coaching local government officials in the fields of accounting and financial management. • Possess strong analytical, communication, and management skills, as well as solid mediating and consensus-building skills. • Have demonstrated skills in working with public sector accounting concepts and procedures (cash, modified accrual, accrual), as well as with international best practice rules and procedures (GAAP, GASB, IAS).
Quality Control Expert (one expert)	• BS/MS degree in Computer Science, Engineering, or a related subject. • Hold a CISA or Master's Degree in IT or any related field is highly preferable. • Proven work experience in software development • Proven work experience in software quality assurance • Strong knowledge of software QA methodologies, tools, and processes • Experience in writing clear, concise, and comprehensive test plans and test cases • Experience with performance and security testing is a plus • Experience in Reviewing requirements, specifications, and technical design documents to provide timely and meaningful feedback • Have previous experience in Integrated Financial Systems or similar assignments. • IT management experience in ERP applications, preferably in the non-profit and governmental sectors.



	• Possess strong analytical, communication, and management skills, as well as solid mediating and consensus-building skills. • Have demonstrated skills in working with public sector development concepts and procedures, as well as with the best practices in institutional assessment.
Financial Experts (Accounting background)	• Senior accounting experts – At least eight years of experience. • Having a CMA/CPA is a plus • Solid experience in Governmental accounting/auditing. • Previous experience in coaching is essential • Possesses communication skills • Strong experience in supporting the implementation of a financial software system.

In addition to the core above expertise, the Consulting firm possesses enough administrative, logistical, and financial management capacity.

Communication

The Consulting team should maintain continuous and timely communication with all stakeholders to ensure the rapid transmission of all information. The team manager should attend bi-weekly meetings or as requested by the MDLF.

5. Deliverables, timeline, and level of effort:

This consulting assignment is expected to be for **24** months period.

Level of effort

The estimated level of effort for performing this assignment is **xxx** working days will be distributed over the required team.

The consulting firm is expected to accomplish the tasks associated with this assignment within the designated timeframe. The table below provides the required team structure to accomplish all project tasks:

Expert	Number
Team Leader	1
Quality Control Expert	1
Financial Expert (Accounting background)	5



Total	7
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Deliverables:

1. **An Inception Report** setting for the proposed work plans. This report should be in English. The inception report should be prepared and agreed upon at the end of the second week of the assignment and will include the following:

- Detailed scope of the assignment
- Work plan (Schedule plan) for the main deliverables and the activities
- Milestones plan for the deliverables
- Communication plan with the different project stakeholders
- Provide the form of the monthly progress report.
- Anticipated risks and obstacles and the response activities

2. **Monthly progress report** (in English).

The progress report must include but not limited to:

- Summary of the activities that have been conducted during the reporting period within the context of the scope of work. And, obstacles encountered during the reporting period.
- Mitigation measures and outline the planned steps during the following reporting period (concerning the submitted work plan).
- The results of the regular consultation with MDLF/Consultants during the implementation phases.
- The reviewing results for each progress report provided by the software supplier. And, provide the MDLF with an evaluation report for each submitted deliverable, including the cross-reference to the project plans, risks, and Requests for changes.
- Documenting the changes in the implementation of the IFMIS. (could be attached as annex)
- Updating the communication plan between IFMIS stakeholders.
- Updating the work plan as MDLF will provide a sheet to document the updating on an accumulation basis.

3. **Coaching report**, this report will be per municipality, after completing the coaching sessions that include the following:

- A comprehensive sheet (for each municipality) that includes the following:
 - Mapping process as specified in the scope of work
 - Optimize processes as defined in the scope of work.
 - The attendees' names, the dates, and the timing for each field visit during the above stages.



- The attestation by each municipality as the sheet must be signed and stamped.
- Hard copies of the coaching minutes of meetings (signed and stamped by the municipality),
- **Photos from the coaching meetings,**
- Evaluating each of the attendees' performance,
- Feedback and recommendations.

This report would be prepared in Arabic along with the cover report in English. The cover report must summarize the achievement up to this stage with general observations and recommendations from the consultant. The due date for this deliverable is five months after the commencement of the assignment.

4. Conversion Report:

- Prepare an Excel sheet (per municipality) with all supporting documents for the opening balances of the balance sheet accounts according to the standardized municipal chart of accounts classified budget-wise. Along with the Excel sheet for the entries of opening balance for each account is required. The report should be in English along with an Excel sheet for each municipality. The due date for this deliverable is two months after submitting the coaching report.

5. Quality control Reports:

This report will comprise the following:

- A Cover Report documenting the progress of implementing the IFMIS up to obtaining the user acceptance test from each municipality along with a brief description for each annex is attached to the cover report.
- **Separate Annex** for the test Results for all mentioned criteria of the Quality Assurance test. And, The test results should also include testing the interface between the core financial software and the other modules, testing the integration with other existing related systems. And, testing the exporting data to MOLG's system, i.e., the budget portal.
- **Separate Annex** for Validate the Implementation report submitted by the software supplier.
- **Separate Annex** for Validates the technical specifications (functional and non-functional requirements). This validation must be submitted in a separate annex.
- **Separate Annex for** Validate the system's documentation, i.e., the system's manuals that will be provided by the software supplier.
- **A separate folder (Annex)** for the user acceptance test of each municipality (a separate file for each one) will contain the following:
 - ✓ Test results Reports detailing the results of the test of conducting the major test cases on each municipality.



- ✓ The acceptance test of each municipality along with a compliance sheet of the essential functions of the system as each municipality must validate and attest to that list under the supervision of the coaching consulting team. ***This validation is essential for proofing that the municipality is realizing the functionality of the system.***
- ✓ Test the accuracy of the financial reports for a certain period.

This report will be prepared in English. And, the due date for this deliverable is within two weeks after ***the end of implementation activities and obtaining user acceptance tests at the selected municipalities.***

6. **Final Report:** will be prepared, summarizing the work done under this assignment, the obstacles encountered, lessons learned, outputs, and achievements. This report is to be developed in English. The due date for this deliverable is within two weeks at the end of activities in the assignment.

Timeframe

Deliverables breakdown and schedule:

ID	Deliverable Name	Expected Due Date
1.	Inception Report	After two weeks of the signing of the contract
2.	Monthly Progress Reports	At the end of every month should submit this report.
3.	Coaching Report	Three months from the commencement date
4.	Conversion Report	Six months from the commencement date
5.	Quality Control Report	Twelve months from the commencement date
6.	Final Report	2 weeks before the end date of the assignment

Consultant Selection Method

The Consulting Company will be selected based on the consultants' qualification QCBS according to the procedures outlined in the MDLF Procurement Manual for procuring the services.

Contract Type and Payment Schedule

This is a lump-sum contract. Payments will be arranged according to the following:

Payments against the inception report and the final report:



- **Payment 1: 10%** of the total contract sum on submission of the Inception Report, acceptable to the MDLF.
- **Payment # 2: 10%** of the contract value for IFMIS on submission of the Coaching Report, acceptable to the MDLF.
- **Payment # 3: 35%** of the remaining allocated amount for IFMIS on submission of the Conversion Report, acceptable to the MDLF.
- **Payment # 4: 35%** of the remaining allocated amount for IFMIS on submission of the Quality Control Report, acceptable to the MDLF. Processing this payment is conditioned to the delivery and the MDLF's acceptance of all implementation reports.
- **Payment 5: 10 %** of the total contract amount on submission of the Final Report, acceptable to the MDLF.

Project Administration

The Municipal Development and Lending Fund (MDLF) will be responsible for coordinating activities with the consultant, processing payments, and for acceptance of the deliverables. The project will be managed by the ***Institutional Building and Technical Assistance Department Manager***:

Main Office: Al-Amal Bldg.
Mecca Street, Al-balou' RD
Al-Bireh, Palestine
Tel: 02- 2426610, Fax: 02-2420685
E-mail: info@mdlf.org.ps



#	Municipality	Status	Modules Required / Municipalities	Financial Modules				RMIS	HR	Inventory	Procurement
				GL	FA	Budget	Reporting				
1	Abwein	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
2	Allar	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
3	Arraba	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
4	Atteel	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
5	Borqin	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
6	Bruqin	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
7	Deir AlGhosoun	Pass	Financial Module, RMIS, HR	✓	✓	✓	✓	✓	✓		
8	Deir Istia	Pass	Financial Module, RMIS, HR, Inventory	✓	✓	✓	✓	✓	✓	✓	
9	Zatara	Pass	Financial Module, RMIS, HR, Inventory	✓	✓	✓	✓	✓	✓	✓	
10	Battir	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
11	KhalaMay	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
12	Halhul	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
13	Idna	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
14	Janata	Pass	Financial Module, RMIS, HR	✓	✓	✓	✓	✓	✓		
15	Beit Liqia	Pass	Financial Module, RMIS, HR	✓	✓	✓	✓	✓	✓		
16	Silwad	Pass	Financial Module, RMIS, HR	✓	✓	✓	✓	✓	✓		
17	Surda	Pass	Financial Module, RMIS, HR	✓	✓	✓	✓	✓	✓		
18	Qatanna	Pass	Financial Module, RMIS, HR	✓	✓	✓	✓	✓	✓		
19	Kufor AlDeek	Pass	Financial Module, RMIS, HR	✓	✓	✓	✓	✓	✓		



20	Kufor Dan	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
21	AlKarmel	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
22	AlKhader	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
23	Battir	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	✓
24	Seier	Pass	Financial Module, RMIS, HR, Inventory, Procurement	✓	✓	✓	✓	✓	✓	✓	
Total Quantities				24	24	24	24	24	24	16	14

Note: Full modules of IFMIS include: GL, RMIS, Budget, Inventory, Procurement, Fixed assets, and HR modules