

Terms of Reference (TOR)

For Junior Audit Specialist for external audit (individual consultant) to support Audit Cell at Local Government Engineering Department (LGED)

Background

LGED is one of the largest public sector organizations in Bangladesh works in a wide range of diversified programs like construction of rural roads, bridges/culverts, growth center markets and environmental protection; and spends a big chunk of the development budget of the country under government and development- partner supported projects/programs. Like every other government departments, the Comptroller and Auditor General (CAG) as the head of the Supreme Audit Institution of Bangladesh mandated to conduct audit of LGED as per the Constitution of the People's Republic of Bangladesh and the relevant Acts of the parliament.

Audit Cell was formed in LGED in 1995, as an internal arrangement by borrowing staffs from different development projects. Since its inception, the Audit Cell has been performing some internal audit functions but has to focus on the settlement of past external audit recommendations. The main challenge before Audit Cell is to proper staffing to resolve the pending audit observations accumulated over the years. However, the Audit Cell has not been strengthened during last two decades despite considerable increase of workload.

Government of Bangladesh has received a loan from the World Bank (WB) towards the cost of the program titled 'Program for Supporting Rural Bridges (SupRB)'. The program will be implemented by the Local Government Engineering Department (LGED). The program Components include: maintenance (major and minor), rehabilitation and capacity expansion (widening) of rural bridges; new construction and replacement of short- to medium-length new bridges; and, Technical, fiduciary, procurement, social and environmental capacity improvement of LGED.

Under the capacity improvement component of 'the program' a DLI has been agreed to strengthen internal audit with proper staffing and logistics to conduct the internal audit function of international standard. Besides this, consultant support will be provided to support Audit Cell to resolve external audit observations accumulated over the years.

Objective of the assignment

LGED is exposed to mainly two audit directorates under the jurisdiction of the CAG, namely: Foreign Aided Projects Audit Directorate (FAPAD) and Works Audit Directorate. The number of pending audit observations of LGED with the two Audit Directorates is around two thousand with different stages of maturity and risk levels. The pace of settlement of observations of Works Audit Directorate is slower as compared to FAPAD, as a result a bulk of pending Works Audit observations accumulated over the years. It needs a 'big push' to settle those pending audit observations. Consultant support to Audit Cell will make the 'push' which is required to resolve accumulated audit observations.

Scope of work

1. Settlement of audit observation: Among the ways to resolve the pending audit observations, Bi-lateral/ tripartite meeting is very useful. The Consultant shall assist Senior Audit Specialist to prepare schedules of bi-lateral and tri-partite meetings in coordination with the FAPAD/Works Audit Directorate/ Local Government Division. He will participate in the meetings and also help in preparing the working papers of the meetings.

2. CAG's Annual Audit Report: The Consultant shall pay special attention to the pending observations of the annual audit reports of the Comptroller and Auditor General of Bangladesh (CAG). He will support Audit Cell to take initiative to resolve those observations.

3. To support in writing audit reply: The Consultant shall examine the relevancy of the audit replies submitted to the Audit Cell by the district offices/project offices and make necessary corrections before sending it to the audit directorates. The Audit Cell may arrange several on-job trainings at the field level about the preparation of audit reply. The Consultant shall participate in those on-job training/workshops and trained the LGED staffs in preparing reply of the audit observations.

4. Audit Monitoring Software: Most of the documents in Audit Cell are now managed and preserved manually. To speed up the activities and for better results the system will be improved by developing a software program. The software will be developed by the Computer Programmer/Software Engineer of the program. The Consultant shall participate actively in the process of developing the Software.

5. Recommendations for improvement: The Consultant shall assist Senior Audit Specialist to study the existing capacities of Audit Cell in terms of available manpower, skills and logistics and understand the challenges being faced by the Audit Cell and make recommendations for improvement.

6. The Program's DLI: Resolution of at least 80 % (in number) of audit observations of 'the program' is agreed as a DLI along with other DLI's. The Consultant shall assist and support the Project Director to achieve the above mentioned DLI.

7. Other assignments: He will be obliged to perform the other tasks and assignments related to financial and audit management as may be given by the Project Director.

Qualifications and Experience

- A Master's degree in related discipline from a reputed university.
- At least 10 year experience in the field of audit, preferably in the public sector organizations.
- Extensive knowledge in Public Financial Management, specifically in Government Auditing system and practices.
- Ability to write clearly in English and to use word processing applications.

Output and Reporting Requirement

The Consultant shall be responsible to submit monthly activity report to the Project Director. He shall assist Senior Audit Specialist in preparing an action plan to resolve the accumulated pending audit observations of LGED. He will work under the guidance of Senior Audit Specialist to achieve the objectives of the assignment.

Duration of assignment

The duration of the assignment will be 21 Man-Months. The expected time to start is December 2021.

Logistics and Facilities provided by the Client

LGED will provide office accommodation and necessary consumables. The Consultant may propose for support staffs which will be paid through reimbursable item.