



REQUEST FOR EXPRESSION OF INTEREST

INDEPENDENT COST CONSULTANTS

BACKGROUND

The Ministry of Finance is seeking independent cost consultants to review the expenditure in various agencies and departments¹ of Government to ensure that the expenditure is aligned with the approved budget; adheres to the protocol established by the Ministry of Finance and the selected agency; and reflects the cost of goods and services being contracted.

All Government expenditure should be committed prior to payment. Commitment should be in the form of purchase order or contract for goods and services. In cases where the expenditure is more than \$50,000, the approval of the Minister of Finance is needed and where the expenditure is in excess of \$250,000 the approval of the Cabinet is needed. Contracts which are below the \$50,000 threshold should also be referred to the Tenders Board if they are found to be a component of a larger works project.

All locally based vendors need valid business licences to undertake work for the Government and a letter of good standing from National Insurance Board.

In the case of Local Government expenditure commitments are made by the Local Government Council. The Commitment must be supported by a resolution of the Council, which is signed by the Secretary (Island Administrator). In the case of quasi Government entities the tender process must follow the written guidelines for that entity in the absence of written guidelines the process should follow the rules set for general Government operations.

Payments should be charged against the appropriate item within the budget and should reflect the actual cost of goods and services rendered. Contracts below the \$50,000 threshold should be clearly identified.

¹ The agencies identified are Police, Prison, Defence Force, Public Hospitals Authority, Ministry of Education, Ministry of Tourism, Local Government (all districts and Administrators Offices), Ministry of Works (capital budget and Special Projects contracts) and Department of Social Services (Food Stamp Programme).

For agencies which collect and manage special funds², care should be taken to ensure that these funds do not commingle with funds allocated in the Budget and are used for the purposes identified in law. The collection and use of these funds should be accounted to the Minister of Finance.

For employees, salaries should reflect the employment contract as amended from time to time to by the appropriate authority. Employees who have resigned or on some form of approved pay leave should be properly identified to ensure no overpayment. National Insurance numbers and bank accounts should be included in the employees' files and match the payroll information. NIB numbers and bank account numbers should be unique to minimize the possibility of overpayment.

Central Government expenditure records are process through the SSA Global ERP, with payroll being process through a JD Edwards ERP. Computer base auditing tools can be used to search relevant files and relevant files are available for review.

OVERALL OBJECTIVE

The Ministry of Finance views the engagement of an Independent Cost Consultants as an important tool to reduce wastage and fraud during the execution of the budget.

SCOPE OF WORK

The Consultant should review the expenditure for the quarter to determine possible inconsistency with the guidelines laid down by the Government. This review should take the form of desk review using computer base auditing tools where appropriate and selected sampling of documents.

REPORTS

The Consultant is expected to report to the Ministry of Finance within 3 weeks after the end of the fiscal quarter with summary of its findings, recommendations for follow up and or immediate action. The report should be copied to the Head of Department for the agency under review.

QUALIFICATION

The identified consultant would be an accounting firm or where appropriate qualified accountant.

APPLICATION PROCESS

Firms or individuals interested in submitted proposals to act as independent cost consultants on behalf of the Ministry of Finance should email simonwilson@bahamas.gov.bs copied to

² Special Funds are funds which are derived from activities carried out by the agencies but are not deposited into the Consolidated Fund.

deborahbastian@bahamas.gov.bs and joycelyngilbert@bahamas.gov.bs by the Friday 6th September 2013.

The email submission should include information (qualifications and experience) about the firm and/or individual interested in acting as an independent cost consultant.