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Resilient nations.

**Request for Proposal (RFP)**  
**To Develop and Pilot Accrual Accounting Software for Nepalese Municipalities (Reference no. PISU/RFP/011/2011)**

UNDP Nepal works in the areas of transitional governance, pro-poor policies and sustainable livelihoods, peace building and recovery, energy, environment and natural disaster management along with gender and HIV as cross cutting issues with its annual programme of US\$ 40 million. It was established in Nepal in 1963 and works closely with the Government and development partners, thousands of community and civil society groups in all 75 districts of Nepal. In all its activities, UNDP encourages social inclusion, protection of human rights and empowerment of women.

Under its Local Governance and Community Development Programme, UNDP Nepal is supporting municipalities to improve public financial management by moving from cash-based accounting system to accrual based accounting system. Accordingly, the project is seeking the service of a professional organization to develop accrual accounting software and pilot the software in 6 Municipalities.

**Who can apply:** The RFP is open to National Professional Organizations, International Professional Organizations or joint venture among them (Proposers) registered under the authorized agency of the Government of Nepal or the organization's country of origin. Proposers with 3 years of proven experience in development of financial management software and training are eligible. Eligible Proposers are requested to submit separate technical and financial proposals.

**How to apply:** Eligible Proposers may download the RFP from the UNDP Website. The proposal must be submitted along with all required documents in accordance with the RFP document. Details are provided in the RFP document.

The pre-bid meeting (presentation and question and answer session) will be held at UNDP Conference Room, Pulchowk at 11.00am on Monday, 26 September 2011 and the minutes of the meeting will be uploaded at UNDP website <http://www.undp.org.np>

Completed proposals must be received no later than 1200 Hrs on Wednesday, 12 October 2011.



Date: 20 September 2011

**Request for Proposal (RFP)**  
**PISU/RFP/011/2011**

Dear Sir/Madam,

**Subject: Development of accrual accounting software and piloting of the software**

1. You are requested to submit a proposal to **develop accrual accounting software, provide training and pilot the software in 6 municipalities** as per enclosed Terms of Reference (TOR).
2. To enable you to submit a proposal, attached are:
  - i. Instructions to Offerors ..... (Annex I)
  - ii. General Conditions of Contract..... (Annex II)
  - iii. Terms of Reference (TOR)..... (Annex III)
  - iv. Proposal Submission Form .....(Annex IV)
  - v. Technical Proposal Format.....(Annex V)
  - vi. Price Schedule ..... (Annex VI)
3. Your offer comprising of technical proposal and financial proposal, in separate sealed envelopes, should reach the following address no later than **1200 hrs on 12 October 2011**.

**Deputy Country Director (Operations)**

UNDP, UN House  
Pulchowk, Lalitpur  
P O Box 107  
Kathmandu, Nepal

Proposers may send proposals as well electronically before 12:00 noon on 12 October 2011 to the following e-mail address: [bids.np@undp.org](mailto:bids.np@undp.org) .

4. If you request additional information, we would endeavour to provide information expeditiously, but any delay in providing such information will not be considered a reason for extending the submission date of your proposal.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Andreas Lehnert'.

Manager, Project Implementation Support Unit

**Instructions to Offerors****A. Introduction****1. General**

One of the key activities to Improving public financial management is improving accounting and financial reporting systems. Most of the Nepalese municipalities still maintain their accounts based on the cash-based accounting system. Cash-based accounting system only reflects income and expenditure accounts of the fiscal year and does not include financial information such as receivable and payable, overall assets and liabilities etc. Considering the importance of financial information requirements, a clear provision has been made in the Local Body Financial Administration Rules of 2064 BS (2007 AD) for a municipal accounts' keeping procedure. Chapter 3 of Section 19 (Financial Procedure of the Municipality) states that "The accounts of the Municipality shall be maintained in accrual transaction based on the principle of the double entry system. In order to get implemented the accrual accounting system, development of a software uniformly to be used by all municipalities is felt as necessary.

**2. Cost of proposal**

The Offeror shall bear all costs associated with the preparation and submission of the Proposal, the UNDP will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the solicitation.

**B. Solicitation Documents****3. Contents of solicitation documents**

Proposals must offer services for the total requirement. Proposals offering only part of the requirement will be rejected. The Offeror is expected to examine all corresponding instructions, forms, terms and specifications contained in the Solicitation Documents. Failure to comply with these documents will be at the Offeror's risk and may affect the evaluation of the Proposal.

**4. Clarification of solicitation documents**

A prospective Offeror requiring any clarification of the Solicitation Documents may notify the procuring UNDP entity in writing at [procurement.np@undp.org](mailto:procurement.np@undp.org). The procuring UNDP entity will respond in writing to any request for clarification of the Solicitation Documents that it receives earlier than two weeks prior to the deadline for the submission of Proposals. Written copies of the organisation's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Offerors that has received the Solicitation Documents.

**5. Amendments of solicitation documents**

At any time prior to the deadline for submission of Proposals, the procuring UNDP entity may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Offeror, modify the Solicitation Documents by amendment.

All prospective Offerors that have received the Solicitation Documents will be notified in writing of all amendments to the Solicitation Documents.

In order to afford prospective Offerors reasonable time in which to take the amendments into account in preparing their offers, the procuring UNDP entity may, at its discretion, extend the deadline for the submission of Proposals.

## **C. Preparation of Proposals**

### **6. Language of the proposal**

The Proposals prepared by the Offeror and all correspondence and documents relating to the Proposal exchanged by the Offeror and the procuring UNDP entity shall be written in the English language. Any printed literature furnished by the Offeror may be written in another language so long as accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the Proposal, the English translation shall govern.

### **7. Documents comprising the proposal**

The Proposal shall comprise the following components:

- (a) Proposal submission form;
- (b) Organizational Profile
- (c) Registration Certificate with updated renewals
- (d) VAT/PAN Certificate and updated Tax Clearance/Submission Letter
- (e) Annual Financial Reports of the last two years
- (f) Signed CVs of proposed personnel along with commitment to work for the project.
- (g) Operational and technical part of the Proposal, including documentation to demonstrate that the Offeror meets all requirements;
- (h) Price schedule, completed in accordance with clauses 8 and 9;

### **8. Proposal form**

The Offeror shall structure the operational and technical part of its Proposal as follows:

#### **(a) Management plan**

This section should provide corporate orientation to include the year and state/country of incorporation and a brief description of the Offeror's present activities. It should focus on services related to the Proposal.

This section should also describe the organisational unit(s) that will become responsible for the contract, and the general management approach towards a project of this kind. The Offeror should comment on its experience in similar projects and identify the person(s) representing the Offeror in any future dealing with the procuring UNDP entity.

#### **(b) Resource plan**

This should fully explain the Offeror's resources in terms of personnel (Software Developer/Team Leader(s), Chartered Accountant(s) and Software Engineer(s)) and facilities necessary for the performance of this requirement. It should describe the Offeror's current capabilities/facilities and any plans for their expansion.

(c) Proposed methodology

This section should demonstrate the Offeror's responsiveness to the specification by identifying the specific components proposed, addressing the requirements, as specified, point by point; providing a detailed description of the essential performance characteristics proposed warranty; and demonstrating how the proposed methodology meets or exceeds the specifications.

The operational and technical part of the Proposal should not contain any pricing information whatsoever on the services offered. Pricing information shall be separated and only contained in the appropriate Price Schedules.

It is mandatory that the Offeror's Proposal numbering system corresponds with the numbering system used in the body of this RFP. All references to descriptive material and brochures should be included in the appropriate response paragraph, though material/documents themselves may be provided as annexes to the Proposal/response.

Information which the Offeror considers proprietary, if any, should be clearly marked "proprietary" next to the relevant part of the text and it will then be treated as such accordingly.

9. Proposal prices

The Offeror shall indicate on an appropriate Price Schedule, an example of which is contained in these Solicitation Documents, the prices of services it proposes to supply under the contract.

10. Proposal currencies

All prices shall be quoted in US dollars or any convertible currency.

11. Period of validity of proposals

Proposals shall remain valid for 90 days after the date of Proposal submission prescribed by the procuring UNDP entity, pursuant to the deadline clause. A Proposal valid for a shorter period may be rejected by the procuring UNDP entity on the grounds that it is non-responsive.

In exceptional circumstances, the procuring UNDP entity may solicit the Offeror's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. An Offeror granting the request will not be required nor permitted to modify its Proposal.

12. Format and signing of proposals

The Offeror shall prepare two copies of the Proposal, clearly marking each "Original Proposal" and "Copy of Proposal" as appropriate. In the event of any discrepancy between them, the original shall govern.

The two copies of the Proposal shall be typed or written in indelible ink and shall be signed by the Offeror or a person or persons duly authorised to bind the Offeror to the contract. The latter authorisation shall be indicated by written power-of-attorney accompanying the Proposal.

A Proposal shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Offeror, in which case such corrections shall be initialled by the person or persons signing the Proposal.

### 13. Payment

UNDP shall effect payments to the Contractor after acceptance by UNDP of the invoices submitted by the contractor, upon achievement of the corresponding milestones.

### D. Submission of Proposals

### 14. Sealing and marking of proposals

The Offeror shall seal the Proposal in one outer and two inner envelopes, as detailed below.

#### (a) The outer envelope shall be:

- addressed to –

**Deputy Country Director (Operations)**

UNDP, UN House  
Pulchowk, Lalitpur  
P O Box 107  
Kathmandu, Nepal

- marked with –

**“PISU/RFP/011/2011: Development of accrual accounting software and piloting of the software**

- (b) Both inner envelopes shall indicate the name and address of the Offeror. The first inner envelope shall contain the information specified in Clause 8 (*Proposal form*) above, with the copies duly marked “Original” and “Copy”. The second inner envelope shall include the price schedule duly identified as such.

Note, if the inner envelopes are not sealed and marked as per the instructions in this clause, the procuring UNDP entity will not assume responsibility for the Proposal’s misplacement or premature opening.

#### C) Submission of proposals through e-mail:

Proposers who choose the electronic submission shall take into account the following:

- Electronic proposals shall be submitted to Bids.np@undp.org only. Any proposal submitted or copied to an individual UNDP staff member or sent to an email address different than Bids.np@undp.org, will be automatically disqualified and not taken into account for further evaluation.
- The proposers must send separate emails for technical and financial proposals clearly marked as “Technical Proposal” and “Financial Proposal” in the subject line.
- It is entirely the responsibility of the bidder to ensure that the documents are submitted on time and reaches the UNDP Country Office Nepal before the specified deadline.

- Electronic submission shall not exceed the file size of 5 MB. In case proposers require sending files that exceed the maximum limit of 5 MB, such files shall be split and shall clearly be marked as per the subject line.

#### **15. Deadline for submission of proposals**

Proposals must be received by the procuring UNDP entity at the address specified under clause *Sealing and marking of Proposals* no later than 12 October 2011, 1200 Hours, local time.

The procuring UNDP entity may, at its own discretion extend this deadline for the submission of Proposals by amending the solicitation documents in accordance with clause *Amendments of Solicitation Documents*, in which case all rights and obligations of the procuring UNDP entity and Offerors previously subject to the deadline will thereafter be subject to the deadline as extended.

#### **16. Late Proposals**

Any Proposal received by the procuring UNDP entity after the deadline for submission of proposals, pursuant to clause *Deadline for the submission of proposals*, will be rejected.

#### **17. Modification and withdrawal of Proposals**

The Offeror may withdraw its Proposal after the Proposal's submission, provided that written notice of the withdrawal is received by the procuring UNDP entity prior to the deadline prescribed for submission of Proposals.

The Offeror's withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of clause *Deadline for Submission of Proposals*. The withdrawal notice may also be sent by telex or fax but followed by a signed confirmation copy.

No Proposal may be modified subsequent to the deadline for submission of proposals.

No Proposal may be withdrawn in the Interval between the deadline for submission of proposals and the expiration of the period of proposal validity specified by the Offeror on the Proposal Submission Form.

### **E. Opening and Evaluation of Proposals**

#### **18. Opening of proposals**

The procuring entity will open the Proposals in the presence of a Committee formed by the Head of the procuring UNDP entity.

#### **19. Clarification of proposals**

To assist in the examination, evaluation and comparison of Proposals, the Purchaser may at its discretion, ask the Offeror for clarification of its Proposal. The request for clarification and the response shall be in writing and no change in price or substance of the Proposal shall be sought, offered or permitted.

## 20. Preliminary examination

The Purchaser will examine the Proposals to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the Proposals are generally in order.

Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Offeror does not accept the correction of errors, its Proposal will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.

Prior to the detailed evaluation, the Purchaser will determine the substantial responsiveness of each Proposal to the Request for Proposals (RFP). For purposes of these Clauses, a substantially responsive Proposal is one which conforms to all the terms and conditions of the RFP without material deviations. The Purchaser's determination of a Proposal's responsiveness is based on the contents of the Proposal itself without recourse to extrinsic evidence.

A Proposal determined as not substantially responsive will be rejected by the Purchaser and may not subsequently be made responsive by the Offeror by correction of the non-conformity.

## 21. Evaluation and comparison of proposals

A two-stage procedure is utilised in evaluating the proposals, with evaluation of the technical proposal being completed prior to any price proposal being opened and compared. The price proposal of the Proposals will be opened only for submissions that passed the minimum technical score of 70% (490 points) of the obtainable score of 700 points in the evaluation of the technical proposals.

The technical proposal is evaluated on the basis of its responsiveness to the Term of Reference (TOR).

In the Second Stage, the price proposal of all offerors that have attained minimum 70% score in the technical evaluation will be compared. Contract will be awarded to the technically qualified offeror that obtains the highest combined score (financial and technical). The points for the Financial Proposal will be allocated as per the following formula:

$$\frac{\text{Lowest Bid Offered} *}{\text{Bid of the Firm/Offeror}} \times 300$$

\* "Lowest Bid Offered" refers to the lowest price offered by Offerors scoring at least 70% points in technical evaluation.



### Technical Evaluation Criteria

Summary of Technical Proposal Evaluation Forms		Score Weight	Points Obtainable	Company / Other Entity				
				A	B	C	D	E
1.	Expertise of Firm / Organisation submitting Proposal	30%	210					
2.	Proposed Work Plan and Approach	50%	350					
3.	Personnel	20%	140					
	Total		700					

Evaluation forms for technical proposals follow on the next two pages. The obtainable number of points specified for each evaluation criterion indicates the relative significance or weight of the item in the overall evaluation process. The Technical Proposal Evaluation Forms are:

Form 1: Expertise of Firm / Organisation Submitting Proposal

Form 2: Proposed Work Plan and Approach

Form 3: Personnel

Technical Proposal Evaluation Form 1		Points obtainable	Company / Other Entity				
			A	B	C	D	E
Expertise of firm / organisation submitting proposal							
1.1	Reputation of Organisation and Staff (Competence / Reliability)	35					
1.2	Litigation and Arbitration history	13					
1.3	General Organisational Capability which is likely to affect implementation (i.e. loose consortium, holding company or one firm, size of the firm / organisation, strength of project management support e.g. project financing capacity and project management controls)	31					
1.4	Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialised skills.	13					
1.5	Quality assurance procedures, warranty	22					
1.6	Relevance of: - Specialised Knowledge - Experience on Similar Programme /	96					

	<b>Projects</b> - Experience on Projects in the Region - Work for UNDP/ major multilateral/ or bilateral programmes						
		210					

Technical Proposal Evaluation Form 2		Points Obtainable	Company / Other Entity				
			A	B	C	D	E
Proposed Work Plan and Approach							
2.1	To what degree does the Offeror understand the task?	26					
2.2	Have the important aspects of the task been addressed in sufficient detail?	22					
2.3	Are the different components of the project adequately weighted relative to one another?	18					
2.4	Is there evidence that the proposal been prepared based on an in-depth understanding and prior knowledge of the project environment?	48					
2.5	Is the conceptual framework adopted appropriate for the task?	57					
2.6	Is the scope of task well defined and does it correspond to the TOR?	105					
2.7	Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	74					
		350					

Technical Proposal Evaluation Form 3			Points Obtainable	Company / Other Entity				
				A	B	C	D	E
3.1	Software Developer/Team Leader		42					
		Sub-Score						
	- Experience in developing software for technical applications and training	15						

	- Professional Experience in the area of specialisation	10						
	- Knowledge of municipal financial management system	10						
	- Language Qualifications	7						
		42						
3.2	Chartered Accountant		50					
		Sub-Score						
	- International Experience	10						
	- Experience in working with accounting software applications and working with local governments	10						
	- Professional experience and substantive knowledge in the area of specialisation	13						
	- Knowledge of municipal financial management system	10						
	- Language Qualifications	7						
		50						
3.3	Software Engineer		28					
		Sub-Score						
	General Qualification							
	- Experience in developing software for technical applications	10						
	- Professional Experience in the area of specialisation	7						
	- Knowledge of financial management in general	7						
	- Language Qualification	4						
		28						
3.4	Accountant		20					
	Experience in accrual accounting and working with accrual accounting software	7						
	Professional Experience in the area of specialisation	5						

	Knowledge of municipal accounting systems	5						
	Language Qualification	3						
	<b>Total Part 3</b>		140					

## F. Award of Contract

### 22. Award criteria, award of contract

The procuring UNDP entity reserves the right to accept or reject any Proposal, and to annul the solicitation process and reject all Proposals at any time prior to award of contract, without thereby incurring any liability to the affected Offeror or any obligation to inform the affected Offeror or Offerors of the grounds for the Purchaser's action

Prior to expiration of the period of proposal validity, the procuring UNDP entity will award the contract to the qualified Offeror whose Proposal after being evaluated is considered to be the most responsive to the needs of the organisation and activity concerned.

### 23. Purchaser's right to vary requirements at time of award

The Purchaser reserves the right at the time of award of contract to vary the quantity of services and goods specified in the RFP without any change in price or other terms and conditions.

### 24. Signing of the contract

Within 7 days of receipt of the contract the successful Offeror shall sign and date the contract and return it to the Purchaser.

**General Conditions of Contract****1. LEGAL STATUS**

The Contractor shall be considered as having the legal status of an independent contractor vis-à-vis UNDP. The Contractor's personnel and sub-contractors shall not be considered in any respect as being the employees or agents of UNDP or the United Nations.

**2. SOURCE OF INSTRUCTIONS**

The Contractor shall neither seek nor accept instructions from any authority external to UNDP in connection with the performance of its services under this Contract. The Contractor shall refrain from any action which may adversely affect UNDP or the United Nations and shall fulfil its commitments with the fullest regard to the interests of UNDP.

**3. CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES**

The Contractor shall be responsible for the professional and technical competence of its employees and will select, for work under this Contract, reliable individuals who will perform effectively in the implementation of this Contract, respect the local customs, and conform to a high standard of moral and ethical conduct.

**4. ASSIGNMENT**

The Contractor shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof, or any of the Contractor's rights, claims or obligations under this Contract except with the prior written consent of UNDP.

**5. SUB-CONTRACTING**

In the event the Contractor requires the services of sub-contractors, the Contractor shall obtain the prior written approval and clearance of UNDP for all sub-contractors. The approval of UNDP of a sub-contractor shall not relieve the Contractor of any of its obligations under this Contract. The terms of any sub-contract shall be subject to and conform with the provisions of this Contract.

**6. OFFICIALS NOT TO BENEFIT**

The Contractor warrants that no official of UNDP or the United Nations has received or will be offered by the Contractor any direct or indirect benefit arising from this Contract or the award thereof. The Contractor agrees that breach of this provision is a breach of an essential term of this Contract.

**7. INDEMNIFICATION**

The Contractor shall indemnify, hold and save harmless, and defend, at its own expense, UNDP, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Contractor, or the Contractor's employees, officers, agents or sub-contractors, in the performance of this Contract. This provision shall extend, inter alia, to claims and liability in the nature of workmen's

compensation, products liability and liability arising out of the use of patented inventions or devices, copyrighted material or other intellectual property by the Contractor, its employees, officers, agents, servants or sub-contractors. The obligations under this Article do not lapse upon termination of this Contract.

## **8. INSURANCE AND LIABILITIES TO THIRD PARTIES**

8.1 The Contractor shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used for the execution of this Contract.

8.2 The Contractor shall provide and thereafter maintain all appropriate workmen's compensation insurance, or its equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.

8.3 The Contractor shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Contract or the operation of any vehicles, boats, airplanes or other equipment owned or leased by the Contractor or its agents, servants, employees or sub-contractors performing work or services in connection with this Contract.

8.4 Except for the workmen's compensation insurance, the insurance policies under this Article shall:

(i) Name UNDP as additional insured;

(ii) Include a waiver of subrogation of the Contractor's rights to the insurance carrier against UNDP;

(iii) Provide that UNDP shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.

8.5 The Contractor shall, upon request, provide UNDP with satisfactory evidence of the insurance required under this Article.

## **E. 9. ENCUMBRANCES/LIENS**

The Contractor shall not cause or permit any lien, attachment or other encumbrance by any person to be placed on file or to remain on file in any public office or on file with UNDP against any monies due or to become due for any work done or materials furnished under this Contract, or by reason of any other claim or demand against the Contractor.

## **10. TITLE TO EQUIPMENT**

Title to any equipment and supplies that may be furnished by UNDP shall rest with UNDP and any such equipment shall be returned to UNDP at the conclusion of this Contract or when no longer needed by the

Contractor. Such equipment, when returned to UNDP, shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear. The Contractor shall be liable to compensate UNDP for equipment determined to be damaged or degraded beyond normal wear and tear.

## **11. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS**

UNDP shall be entitled to all intellectual property and other proprietary rights including but not limited to patents, copyrights, and trademarks, with regard to products, or documents and other

materials which bear a direct relation to or are produced or prepared or collected in consequence of or in the course of the execution of this Contract. At the UNDP's request, the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring them to UNDP in compliance with the requirements of the applicable law.

## **12. USE OF NAME, EMBLEM OR OFFICIAL SEAL OF UNDP OR THE UNITED NATIONS**

The Contractor shall not advertise or otherwise make public the fact that it is a Contractor with UNDP, nor shall the Contractor, in any manner whatsoever use the name, emblem or official seal of UNDP or the United Nations, or any abbreviation of the name of UNDP or the United Nations in connection with its business or otherwise.

## **13. CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION**

- 13.1 All maps, drawings, photographs, mosaics, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Contractor under this Contract shall be the property of UNDP, shall be treated as confidential and shall be delivered only to UNDP authorized officials on completion of work under this Contract.
- 13.2 The Contractor may not communicate at any time to any other person, Government or authority external to UNDP, any information known to it by reason of its association with UNDP which has not been made public except with the authorization of UNDP; nor shall the Contractor at any time use such information to private advantage. These obligations do not lapse upon termination of this Contract.

## **14. FORCE MAJEURE; OTHER CHANGES IN CONDITIONS**

- 14.1 Force majeure, as used in this Article, means acts of God, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force which are beyond the control of the Parties.
- 14.2 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Contractor shall give notice and full particulars in writing to UNDP, of such occurrence or change if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. The Contractor shall also notify UNDP of any other changes in conditions or the occurrence of any event which interferes or threatens to interfere with its performance of this Contract. The notice shall include steps proposed by the Contractor to be taken including any reasonable alternative means for performance that is not prevented by force majeure. On receipt of the notice required under this Article, UNDP shall take such action as, in its sole discretion, it considers to be appropriate or necessary in the circumstances, including the granting to the Contractor of a reasonable extension of time in which to perform its obligations under this Contract.
- 14.3 If the Contractor is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract, UNDP shall have the right to suspend or terminate this Contract on the same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.

## **15. TERMINATION**

- 15.1 Either party may terminate this Contract for cause, in whole or in part, upon thirty days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16 "Settlement of Disputes" below shall not be deemed a termination of this Contract.

- 15.2 UNDP reserves the right to terminate without cause this Contract at any time upon 15 days prior written notice to the Contractor, in which case UNDP shall reimburse the Contractor for all reasonable costs incurred by the Contractor prior to receipt of the notice of termination.
- 15.3 In the event of any termination by UNDP under this Article, no payment shall be due from UNDP to the Contractor except for work and services satisfactorily performed in conformity with the express terms of this Contract. The Contractor shall take immediate steps to terminate the work and services in a prompt and orderly manner and to minimize losses and further expenditures.
- 15.4 Should the Contractor be adjudged bankrupt, or be liquidated or become insolvent, or should the Contractor make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Contractor, UNDP may, without prejudice to any other right or remedy it may have, terminate this Contract forthwith. The Contractor shall immediately inform UNDP of the occurrence of any of the above events.

## **16. SETTLEMENT OF DISPUTES**

### **16.1. Amicable Settlement**

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Contract or the breach, termination or invalidity thereof. Where the parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the parties.

### **16.2. Arbitration**

Unless, any such dispute, controversy or claim between the Parties arising out of or relating to this Contract or the breach, termination or invalidity thereof is settled amicably under the preceding paragraph of this Article within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, such dispute, controversy or claim shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining, including its provisions on applicable law. The arbitral tribunal shall have no authority to award punitive damages. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

## **PRIVILEGES AND IMMUNITIES**

Nothing in or relating to this Contract shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs.

## **TAX EXEMPTION**

- 18.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter-alia, that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for public utility services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the United Nations exemption from such taxes, duties or charges, the Contractor shall immediately consult with UNDP to determine a mutually acceptable procedure.



18.2 Accordingly, the Contractor authorizes UNDP to deduct from the Contractor's invoice any amount representing such taxes, duties or charges, unless the Contractor has consulted with UNDP before the payment thereof and UNDP has, in each instance, specifically authorized the Contractor to pay such taxes, duties or charges under protest. In that event, the Contractor shall provide UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

## **19 CHILD LABOUR**

19.1 The Contractor represents and warrants that neither it, nor any of its suppliers is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical mental, spiritual, moral or social development.

19.2 Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, at no cost to UNDP.

## **MINES**

20.1 The Contractor represents and warrants that neither it nor any of its suppliers is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.

20.2 Any breach of this representation and warranty shall entitle UNDP to terminate this Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind of UNDP.

## **OBSERVANCE OF THE LAW**

The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the terms of this Contract.

## **AUTHORITY TO MODIFY**

No modification or change in this Contract, no waiver of any of its provisions or any additional contractual relationship of any kind with the Contractor shall be valid and enforceable against UNDP unless provided by an amendment to this Contract signed by the authorized official of UNDP.

**GOVERNMENT OF NEPAL**  
**MINISTRY OF LOCAL DEVELOPMENT**  
**LOCAL GOVERNANCE AND COMMUNITY DEVELOPMENT PROGRAMME (LGCDP)**  
**TERMS OF REFERENCE**  
**TO DEVELOP ACCRUAL ACCOUNTING SOFTWARE FOR MUNICIPALITIES**

**Introduction and Background**

The Local Governance and Community Development Programme (LGCDP) is a national programme managed and implemented by the Ministry of Local Development (MLD). It is financed by the Government of Nepal and is supported by a wide range of Development Partners. This assignment is funded by UNCDF. The overarching goal of LGCDP is 'to contribute towards poverty reduction through inclusive, responsive and accountable local governance and participatory community-led development'. LGCDP is a nationwide programme. Implementation commenced in July 2008 and the programme is currently planned to continue until July 2013.

The program aims to contribute towards attaining its goal through achieving three major Program Outcomes: 1) citizens and communities engaged actively with local governments and holding them accountable; 2) increased capacity of local governments to manage resources and deliver basic services in an inclusive and equitable manner; and, 3) strengthened policy and national institutional framework for devolution and local self-governance. Improving public financial management is a key aim of increasing local governments' capacity. One of the key activities to achieve this is improving accounting and financial reporting systems.

Reforming public sector accounting systems started in the late 20th century, when a number of countries changed to accrual accounting from cash-based systems. However, most of the Nepalese municipalities still maintain their accounts based on the cash-based accounting system. Cash-based accounting system only reflects income and expenditure accounts of the fiscal year and excludes major items of financial information such as receivable and payable, overall assets and liabilities etc. Considering the importance of financial information requirements, a clear provision has been made in the Local Body Financial Administration Rules of 2064 BS (2007 AD) for a municipal accounts' keeping procedure. Chapter 3 of Section 19 (Financial Procedure of the Municipality) states that "The accounts of the Municipality shall be maintained in accrual transaction based on the principle of the double entry system.

Over the last decade, some efforts have been initiated in this regard, as a joint effort of MLD's Municipal Management Division (MMD) and the GIZ-supported Urban Development through Local Efforts(UDLE) program. As a pilot, Dharan and Butwal Municipalities were selected to introduce Accrual Accounting Systems (AAS). However, due to lack of a working manual and proper guidelines, the system could not be fully implemented in the pilots or expanded to other potential municipalities. Considering the importance of the new accounting system, the conceptual parts of the AAS have been already recognized, accepted and approved by Kathmandu Metropolitan City and Pokhara Sub-Metropolitan City through their Municipal Boards. Meanwhile, a tentative "working plan" was prepared and discussed with MLD's MMD, the Local Bodies Fiscal Commission (LBFC) and UDLE regarding a "systematic implementation of the AAS in municipalities. The work-plan has been internalized by Kathmandu Metropolitan City and Pokhara Sub-Metropolitan City and modified as an action plan for an AAS Implementation Strategy – Road Map. Similarly, the implementation strategy has been approved by the board of both Kathmandu Metropolitan City and Pokhara Sub-Metropolitan City.

A team of consultants, contracted by GIZ-UDLE on behalf of the MLD's MMD completed a final draft of the proposed manual on the "Accrual Accounting System for Nepalese Municipalities". The final presentation on the AAS manual was made on 11 July 2011 to a group of relevant stakeholders.

Thus, in order to proceed with the preparatory work for the smooth implementation of accrual accounting mechanisms in municipalities, Accrual Accounting Software needs to be developed, based on the accounting flows as defined in the AAS manual.

#### Objectives of Assignment

The major objective of this task is to develop Accrual Accounting Software for municipalities on the basis of the AAS manual developed. Secondary objectives are to train accounting staff in six selected municipalities<sup>1</sup> in the uses of the software.

#### Tasks and Approach

The software development will be supported by MLD's MPS and the GIZ-assisted UDLE project. Thus the focus of the consultant's tasks will be to develop the software and train and orientate municipal staff on the software uses as described in the sections below.

#### Software Development

Develop Accrual Accounting Software, including the following general technical features. :

- Proposed system should be MS Windows compatible.
- Database should be either MS SQL or Oracle or other open source software.
- Proposed system should be Graphical User Interface (GUI).
- Proposed system should be licensed and with copy-right to the Government of Nepal.

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<sup>1</sup> Butwal, Dharan, Kirtipur, Leknath, Mechinagar and Pokhara.

- System should be client-server architecture and should be scalable to 3-tier architecture.
- System should be customizable and delivered with the customization tools.
- System should provide tools to customize users' views of information on the screens without any programming.
- The System should provide the feature to export data to spreadsheets or text files for each report and queries. The System shall have the feature to attach/link documents, spreadsheets, or images to many windows within the applications to provide users with additional information required
- System should have an online help menu.
- The system should be modular in design with the flexibility to add, remove and update modules to a specific configuration.
- System should have data base security as well as application level security to restrict unauthorized access to the system. At least three layers of security should be implemented. The securities shall be:
  - OS level Control
  - Application Level Control
  - Database Level Control
- System should generate detailed audit-trail and track the changes made in the system. It should, at the minimum, generate the following logs:
  - Date & Time
  - User ID
  - Field & record added, deleted or modified
- System should not allow users to modify posted transactions unless through a rectification/correction procedure with a detailed audit-trial generated.
- System must allow changes to the language in both the interface and the data (Nepali to English and vice-versa), including text, numbers, and dates.
- System should allow users to create and assign number series for various transactions.
- System should allow the creation of booking reference numbers for better auditing (i.e. a two letter code in the beginning, i.e. ST for stationary, TC for travel cost, and subsequent automated numbering)
- System should clearly define in its technical documentation how to link up with potential future modules such as tax administration and the related revenue management
- System should allow the free design of cost accounts (minimum two as a standard for the booking interface).

### **Output – I: General Ledger**

- System should have the option to open at least 3 Accounting Periods in a Fiscal Year (clear indication of Proposed Budget and Actual Income/Expenditure).
- System should have the option to automatically close the fiscal year.
- Chart of Accounts should have the option to define as much as required hierarchy.
- Chart of Accounts should be editable, searchable and should contain short description of the account.
- System should have following Journals for the booking of GL Transactions
  - Receipt Voucher
  - Payment Voucher
  - Journal Voucher
- System should have the option for the recurring journals.
- System should have the option to create multiple budgets within a period.
- System should allow user to create reports based on the GL accounts on the fly.

### **Output – II: Account Receivables**

- System should have the option to maintain database of customers (i.e. Database of Tax Payers).
- There should be provision to group customer as required by Chart of Accounts.
- System should have sales Invoice, cash receipt journal and debit memo module.
- System should have inbuilt reports for receivables management.

### **Output – III: Account Payables**

- System should have the option to maintain the database of suppliers.
- There should be provision to group suppliers as required by Chart of Accounts.
- System should have purchase Invoice, payment journal and credit memo module
- System should have inbuilt reports for payables management

### **Output – IV: Assets' Management**

The asset registration menu must include:

- date of purchase
- expected lifetime in months
- amount
- registration number
- location
- automated per annum depreciation (for first year, from the month of purchase)
- automated transfer to depreciation account

- reference field to ledger entry on purchase

### **Output V: Financial Reporting**

The software allows financial reports on:

- Financial Statements: Balance Sheet, Income / Expenditure Statement and Cash Flow Statement
- Detail Ledger Entry, Trial Balance, Trial Balance / Budget
- Receivables and Payables with ageing analysis (within 6 months, within 6-12 months, 1-3 years and more than 3 years)
- Periodic VAT Statements
- Fixed Assets Register
- Inventory Report with ageing analysis (within 6 months, within 6-12 months, 1-3 years and more than 3 years)

### **Output VI: Bookkeeping**

The software's bookkeeping interface must include:

- Date (BS and AD)
- Description
- User defined document numbering
- User and Time Stamp on each and every transaction
- Amount
- Debit and Credit Account No. in list and searchable from GL, Vendor, Customer and Fixed Assets
- Including the option of Allocating Transactions to different cost centres or account codes
- Tax from a list of feasible tax rates
- Cost account from a list of searchable cost centres
- Comments

- I) The Bookkeeping interface should show current balance of accounts after the account to be booked is selected;
- II) The developed software is tested and modified according to the test results and the suggestions of MLD's Accrual Accounting Steering Committee;
- III) The developed software, including a user manual, is handed over to the contracting body MLD/MMD .

The software will then be installed and commissioned in the six selected municipalities (see footnote 1 for names of municipalities).

### **All software ownership or licenses should be in the name of the “Ministry of Local Development”**

#### **Dissemination of Software to MLD and Accounting Bodies**

After the software is developed, the consultant will present the draft software to MLD and invitees from FCGO, OAGN, ICAN and MuAN, plus selected staff from the pilot Municipalities. MLD will prepare the invitations and GiZ will facilitate the presentation.

The presentation contents should be agreed with the client but should aim to ensure that the participants:

i) understand how the software will be used; ii) the responsibilities of MLD, the municipalities and the software development company in operating the software; iii) specific features of the software; iv) issues arising that may affect the software installation, piloting and report generation; v) the updated training and installation plan; vi) introduce the team members who will be carrying out the training (see section 0); and, vi) the reporting formats to be generated.

#### **Software Training for MLD and Pilot Municipalities**

The consultant will carry out training on the software. This will be provided to both staff from MLD and the six pilot municipalities.

The consultant will initially train selected MLD financial staff in using the software including entry of ‘dummy’ data and report generation. This should be done towards the end of the software development period and should be a minimum of 3 days.

In addition the consultants should train selected MLD IT staff in the operation and maintenance of the software. This should be intermittent training during the software development covering a total period of at least 5 days.

Once the draft software is approved by MLD, a combined training package for at least 15 municipal employees from the six pilot municipalities regarding software use will be carried out. It is envisaged that the training will be carried out at the Urban Development Training Centre (UDTC) in Pokhara and will last two weeks (12 days). The trained MLD financial and IT staff will also attend.

The training will be conducted under the supervision of the Head of Finance Section, MLD, and UDLE’s Senior Program Officer who has been involved in preparation of the accrual accounting manual.

The consultant will design and carry out a training course for the trainees. At a minimum, this will include:

- Training on use of the software on a day-to-day basis including entry, storing and managing data;
- Training on developing required reports<sup>2</sup> for the municipalities, MLD and other government agencies;
- Training on ensuring data security from loss, misuse and unlawful access;
- Training on updating the software;

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<sup>2</sup> Report formats have been developed by MLD.

- Training on the use of the Users' Manual developed;

#### Software Installation, Backstopping and Report Production in the Pilot Municipalities

After the completion of combined training, the consultant should install, commission and pilot the software in the six selected municipalities (see footnote 1 above).

Provide follow-up training to the financial staff in data entry and producing monthly, trimesterly and annual reports in line with the LBFAR. The consultant will assist the pilot municipalities prepare monthly reports and reconcile and close monthly accounts.

It is envisaged that this will require around 6 visits to each municipality with a total of about 30 days per municipality backstopping in each municipality after the software is developed.

To accelerate the software installation and report production, the consultants will create three teams. Each team will comprise an IT specialist and an accountant and will cover two municipalities. The team leader and chartered accountant will also be team members and over the backstopping period will visit all pilot municipalities. Thus, in total, a team of six, as shown in Sections 0 and 0 below, will be required.

The contract will be completed with the production of the annual financial reports for each pilot municipality by Bhadra 2069.

The consultant should also carry out various orientation meetings in each pilot municipality. The meetings will be attended by concerned stakeholders and municipal officials (involved in municipal financial management). The meetings will basically focused on the structure of "software preface" and flow of accounts headings and main changes for the existing systems.

#### Expected Results

By the end of this assignment the pilot municipalities should be able to use the software developed to commence with implementing the AAS.

By the end of the financial year the pilot municipalities should have generated required reports using the software and be able to enter, process, adjust.

#### Outputs and Deliverables

The following outputs are deliverable.



<b>Report</b>	<b>Due Date</b>	<b>No of copies, type &amp; language</b>	<b>Contents</b>
Inception Report& Presentation	Within 15 days	<ul style="list-style-type: none"> <li>• 3 hard copies, English</li> <li>• Electronic version to LGCDP</li> </ul>	<ul style="list-style-type: none"> <li>• Revised activity and input plan;</li> <li>• Highlight any changes in ToR to be agreed;</li> <li>• Record of meetings held;</li> <li>• Any issues arising.</li> </ul>
Users' manual	<ul style="list-style-type: none"> <li>• Draft after 60 days</li> <li>• Final with Final report</li> </ul>	<ul style="list-style-type: none"> <li>• Draft in English</li> <li>• Final version in Nepali and electronic.</li> </ul>	<ul style="list-style-type: none"> <li>• A user-friendly simple manual covering all aspects of the software use.</li> </ul>
Presentation on software–	After 90 days		To be agreed with the client, and as described in Section 0 above.
Report on software and software key	After presentation	<ul style="list-style-type: none"> <li>• 3 hard copies, English</li> <li>• Electronic version to LGCDP.</li> </ul>	<ul style="list-style-type: none"> <li>• Summary of approach and action to developing software.</li> <li>• Any issues arising;</li> <li>• Updated training plan</li> </ul>
Brief Training Report	After completion of training	<ul style="list-style-type: none"> <li>• 3 hard copies, English (not including training material)</li> <li>• Electronic version to LGCDP</li> </ul>	<ul style="list-style-type: none"> <li>• Summary of training carried out.</li> <li>• Type of training</li> <li>• List of trainees and trainings carried out</li> <li>• Names of super users</li> <li>• Any issues arising with software installation or training and how they were resolved</li> <li>• All training material</li> </ul>

Report	Due Date	No of copies, type & language	Contents
End of Mission report.	End Bhadra 2069	<ul style="list-style-type: none"> <li>• 5 hard copies, English</li> <li>• Electronic version to LGCDP</li> </ul>	<ul style="list-style-type: none"> <li>• Summary of tasks completed and those remaining.</li> <li>• Copy of reports generated.</li> <li>• Copy of training material</li> <li>• Final Users' manual for software.</li> <li>• Other findings and recommendations</li> </ul>

#### Expertise and Inputs

The firm should have at least:

- An average minimum turnover of 50 lakhs over the last three years;
- Developed five software applications to be used by external clients or groups with accounting software an advantage;
- Previously worked with local governments;

Experts Title	Minimum Qualifications & Skills	Minimum Experience	Person Days
Software Developer / Team Leader	<ul style="list-style-type: none"> <li>• MSc in computer science, software development or equivalent</li> <li>• Fluent in Nepali &amp; English</li> <li>• Good knowledge of local government finances in Nepal</li> </ul>	<ul style="list-style-type: none"> <li>• Previously lead a software development team</li> <li>• Five years in developing software for technical applications</li> <li>• Experience in developing accounting software an advantage</li> <li>• Experience of developing and carrying out software application training</li> </ul>	101
Chartered Accountant	<ul style="list-style-type: none"> <li>• Chartered Accountant as recognized by ICAN</li> <li>• Fluent in Nepali &amp; English</li> <li>• DISA, CISA, ISA or equivalent qualification a key advantage</li> </ul>	<ul style="list-style-type: none"> <li>• Three years' experience in working with local governments</li> <li>• Experience in working with accounting software applications.</li> </ul>	75

<b>Experts Title</b>	<b>Minimum Qualifications &amp; Skills</b>	<b>Minimum Experience</b>	<b>Person Days</b>
Software Engineer 1	<ul style="list-style-type: none"> <li>• BSc in computer science, software development or equivalent</li> <li>• Fluent in Nepali &amp; English</li> <li>• Some knowledge of local government finances in Nepal</li> </ul>	<ul style="list-style-type: none"> <li>• Three years in developing software for technical applications</li> <li>• Experience in developing accounting software an advantage</li> </ul>	125
Software Engineer 2	As above	As above	120
Accountant 1	<ul style="list-style-type: none"> <li>• Bachelor level in Accounting</li> <li>• Fluent in Nepali &amp; English</li> <li>• Demonstrated IT knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• Three years in accrual accounting</li> <li>• Experience of working with accrual accounting software</li> <li>• Experience of working with Local Bodies' accounting systems an advantage</li> </ul>	55
Accountant 2	As above	As above	55

#### Working Arrangements

TA management and counterpart staff

The assignment will be contracted up to the end of the GoN's financial year. The duty Station will be Kathmandu, with visits to concerned municipalities when required.

The requisite inputs envisaged for each task are provided below.

	<b>Software Development</b>	<b>Combined Training</b>	<b>Installation in Pilot Municipalities</b>	<b>Backstopping &amp; Reporting (6 visits to each municipality)</b>
Team Leader, Software Engineer	50.0	15.0	6.0	30.0
Chartered Accountant	24.0	15.0	6.0	30.0
Software Engineer 1	75.0	15.0	5.0	30.0
Software Engineer 2	75.0	15.0	5.0	30.0
Accountant 1	6.0	15.0	4.0	30.0
Accountant 2	6.0	15.0	4.0	30.0
<b>Totals</b>	<b>236</b>	<b>90</b>	<b>30</b>	<b>180</b>

Overall management of the assignment will be by LGCDP. MLD will appoint an officer to specifically liaise with this study and will ensure the support of municipal officials where necessary. MLD will also select financial and IT staff from the ministry to be trained in the software use. GIZ will also provide

support from its UDLE programme and from the developers of the AAS manual. Each pilot municipality will also identify **at least two accountants** to be trained.

Training will be under the direction of MLD's Finance Section and GIZ/ UDLE's Senior Program Officer, involved in preparation of "Working Manual on Accrual Accounting for Nepalese Municipality" with close cooperation of MLD/MMD, Asian Development Bank and GIZ/UDLE.

Items to be provided by the Consultant

The consultant must quote for the cost of all fees and expenses. This will include:

- a. All consultant's fees;
- b. All national travel and living expenses when working outside of the consultant's home base.
- c. Developing the accrual accounting software, including any licenses;
- d. Presentations and workshops as described above;
- e. Preparing and delivering the training package including venue and accommodation costs for 20 trainees at the UDTC in Pokhara;
- f. Total Cost of AAS installation and commissioning in six municipalities (see footnote1)including assistance with monthly reconciliation and report production as described in this ToR;
- g. Report production and translations as described in Section 0 above.

The consultant is expected to work from its own offices where it should have access to adequate computer equipment and software to develop the AAS software.

# PROPOSAL SUBMISSION FORM

Dear Sir / Madam,

Having examined the Solicitation Documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to provide Professional Consulting services (profession/activity for Local Governance and Community Development Programme Project/programme/office) for the sum as may be ascertained in accordance with the Price Schedule attached herewith and made part of this Proposal.

We undertake, if our Proposal is accepted, to commence and complete delivery of all services specified in the contract within the time frame stipulated.

We agree to abide by this Proposal for a period of 90 days from the date fixed for opening of Proposals in the Invitation for Proposal, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

**We understand that you are not bound to accept any Proposal you may receive.**

Dated this day /month of year

### F. Signature

(In the capacity of)

**Duly authorised to sign Proposal for and on behalf of**

**Technical Proposal Format**

**i) RFP Information**

**Applying for RFP number: PISU/RFP/011/2011**

**RFP Title:** Development of accrual accounting software and piloting of the software

**ii) Basic Organization Information**

Name of the organization:

Contact person's name:

Contact details :

Telephone:

E-mail:

Address:

**iii) Organizational Profile:**

*Provide brief information on the structure of your organization and the field(s) and location(s) in which your organization operates. (Maximum of two pages)*

**iv) Organization's Experience**

*Provide information on previous work your organization has undertaken in the field of software development in general and accounting software in particular (Maximum of three pages)*

**v) Technical Proposal**

*Provide a detailed description of how your organization proposes to implement the above ToR. (Maximum of ten pages) Please include the following:*

- A) A detailed work-plan and narrative on how you would approach/ intend to meet the deliverables of mentioned in the TOR.*

- B) A detailed outline of the approach your organization would adopt to develop accrual accounting software and ensure successful piloting of the software. Please provide clear rationale for your approach.*
- C) A detailed outline of the approach taken to supervise and monitor the project to ensure all components can be delivered on time and to a high quality.*
- D) Identification of any risks and/or obstacles your organization may encounter while undertaking this project, how they may impact your ability to meet the deliverables, and how you might address these to ensure successful delivery*

**vi) Human Resources**

*Provide details of the human resources your organization will employ to undertake this project and the roles and responsibilities for each person. Please highlight the relevant substantive and technical inputs that each person will bring to the project. Also include the role, responsibilities and expertise of individual consultant and/or staff from any partner organization(s) with which you will work. Please provide signed CVs of all members of proposed team. (Maximum of ten pages, not including CVs)*

### PRICE SCHEDULE

The Contractor is asked to prepare the Price Schedule as a separate envelope from the rest of the RFP response as indicated in Section D paragraph 14 (b) of the Instruction to Offerors.

All prices/rates quoted must be exclusive of all taxes, since the UNDP is exempt from taxes as detailed in Section II, Clause 18. '

The Price Schedule must provide a detailed cost breakdown. Provide separate figures for each functional grouping or category.

Estimates for cost-reimbursable items, if any, such as travel, and out of pocket expenses should be listed separately.

In case of an equipment component to the service provided, the Price Schedule should include figures for both purchase and lease/rent options. The UNDP reserves the option to either lease/rent or purchase outright the equipment through the Contractor.

The format shown on the following pages should be used in preparing the price schedule. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as examples.

In addition to the hard copy, if possible please also provide a soft copy of the information on a CD/DVD.

<b>Price Schedule: Request for Proposals for Services</b>					
<b>Description of Activity/Item</b>		<b>Daily rate</b>	<b>Number of person needed to deliver on the TOR</b>	<b>Number of days needed to deliver on the TOR</b>	<b>Total Amount</b>
1.1	Services in Home office				
	Software Developer/Team Leader				
	Chartered Accountant				
	Software Engineer				
	Accountant				
1.2	Services in Field (including travel and DSA)				
	Software Developer/Team Leader				
	Chartered Accountant				
	Software Engineer				
	Accountant				



1.3	<b>Reimbursable Expenses</b>				
	Travel				
	DSA				
	<b>G. Training Cost</b> including meal, materials, and accomodation (for 20 Trainees at Urban Development Training Centre in Pokhara)				
	Others (Specify)				
	<b>Total</b>				

***N.B. Administrative and other associated costs need to be built into the professional services charges.***