**ToR
System for accounting of contracts**

**for the Department of Infrastructure and Housing**

**(Chernivtsi City Council)**

**Introduction**

The European Union Anti-Corruption Initiative (EUACI) seeks a Consultant to support its cooperation with Integrity Cities. The Consultant will work closely with a partner city Chernivtsi, mainly with the Department of Infrastructure and Housing, to design and implement a centralised database system for managing contracts linked to construction projects. The Consultant will integrate budget management, contractor payments, and tracking of work progress into a unified system to enhance transparency and efficiency.

This ToR provides further details about the EUACI programme, the Integrity Cities, the role of the Consultant and the expected qualifications of candidates interested in providing documents for this tender.

**The EUACI**

The EUACI is a joint EU and Government of Denmark financed programme aimed at supporting Ukraine in its efforts to reduce corruption at the national and local level through the empowerment of citizens, civil society and state institutions. In January 2024, a new phase of the EUACI was launched. The strategic objectives are that: Corruption in Ukraine is reduced; Ukraine advances with anti-corruption reform; and Reconstruction in war-affected areas of Ukraine is implemented within a framework that incorporates transparency, accountability and integrity.

The EUACI has four intervention areas, namely:

* Support to independent state institutions fighting and preventing corruption;
* Transparency and accountability of the reconstruction process;
* Support cities in war-affected areas in enhancing integrity in the reconstruction process;
* Civil society and media in preventing and fighting corruption.

This tender falls under intervention area 3 and focuses on helping Integrity Cities implement measures that will contribute to increased integrity, transparency and accountability. Organisationally, the Consultant will work with the EUACI team and Advisor to Chernivtsi City Mayor, and will be supervised by the Intervention Area 3 Team Lead.

**The partnership with Integrity Cities**

The six Integrity Cities with which the EUACI has a partnership are Chernivtsi, Sheptytskyi, Mykolaiv, Nikopol, Mariupol and Zhytomyr.

During phase I and II, the EUACI worked with these cities to strengthen their systems and tools for enhancing integrity, transparency, and accountability. The partnership continues in the current 3rd phase, focusing on the continued development of the various integrity tools launched during previous phases and the implementation of new tools. Currently, there are no activities in Mariupol.

Based on the agreement reached with the Chernivtsi City Mayor under Memorandums of Understanding, the EUACI envisages support in strengthening transparency and accountability within Chernivtsi’s municipal systems. The Consultant will be responsible for the creation of a robust system to streamline the management of contracts, budgets, and payments associated with infrastructure projects. The project aligns with municipal goals of improving governance, reducing corruption risks, and ensuring optimal use of public resources.

1. **ESSENTIAL DUTIES AND FUNCTIONS**

The Consultant will be responsible for the design and implementation of a robust contract accounting database for the Department of Infrastructure and Housing of the Chernivtsi City Council. The Consultant is expected to have regular visits to Chernivtsi.

The system must include the following functionalities:

1. **Database Creation and Integration:**
	* Develop a centralized database linking contracts to construction projects, budget allocations, payments, and completed works.
	* Integrate directories for:
		+ Codes of program classification of expenditures, codes of economic classification of budget expenditures, and construction programs.
		+ Contractors (e.g., subcontractors, clients, designers) with associated details (e.g., tax code, name, contacts, documents).
		+ Physical persons (e.g., responsible parties, technical inspectors) with identifiers (e.g., tax ID, name, contact, position).
2. **Construction Project Management:**
	* Establish detailed records for construction projects, including:
		+ Project code, name, timeline, and cost.
		+ Associated documentation such as project estimates and scans.
	* Link projects with budgetary allocations and maintain project-based financial tracking.
3. **Contract Management:**
	* Enable management of various contract types, including construction agreements and their amendments (e.g., changes in timelines or financial sums).
	* Maintain contract details such as:
		+ Number, date, and execution period.
		+ Contractor information, contract sum, and status.
		+ Attachments like scanned documents.
	* Develop a schedule for task execution and monitor progress by construction stages and budget utilisation percentages.
4. **Financial Management:**
	* Implement a financial tracking system, including:
		+ Monitoring of remaining funds by budget codes, contractors, and contracts.
		+ Allocation and reallocation of funds across contracts.
	* Automate control mechanisms for:
		+ Resource availability during budget execution.
		+ Import and management of cost estimates for projects.
5. **Reporting and Automation:**
	* Develop detailed reporting modules, including:
		+ Remaining sums in budgets by projects and contracts.
		+ Movements and balances of allocated resources.
		+ Completed works, pending obligations, and contractor debt tracking.
		+ Deviations in resource pricing for construction materials and works.
	* Automate reminders for contract deadlines, milestones, and outstanding obligations.
6. **Document Management:**
	* Facilitate import/export of project data (e.g., from AVK and dbf files).
	* Enable storage and retrieval of project-related documents such as:
		+ Scans of project estimates, tender documents, and certificates.
		+ Payment orders and completed works documentation.
7. **Workflow Enhancements:**
	* Provide tools for handling project and contract modifications, including reallocation of resources and updates to timelines.
	* Include features for importing payment information from financial systems and reconciling with project budgets.
8. **Interaction with other software:**
	* Import of payment documents from SDO (PTK Client Treasury Client).
	* Import of acts of completed works from E-data.
	* Import of the estimate from the state software "Logic".
9. **Training and Support:**
	* Conduct training sessions for municipal staff on system usage and maintenance.
	* Provide ongoing technical support during the implementation phase and initial operations. And also provide technical support for at least 12 months after the contract expires.
10. **BUDGET**

The budget is up to **20,000 EUR**. This amount includes subsistence allowance for fieldwork in the partner city as well as costs related to local travel, and other project-related costs such for example audit, basic technical assessment and printing.

Payments will be made in a maximum of two installments.

The first instalment, representing a maximum of 30% of the total contract value, will be made after receipt of the contractor’s updated work plan.

Second, and final payment will be made upon receipt and approval by the executive bodies of city councils and all other supporting documents, including a Final Invoice.

Payments will be based on the actual days worked, the agreed daily fee rate and the expenses incurred by the contractor during the period. Payment will require verification of completion of deliverables and approval by the Team Leader for Component 2 of the Contractor deliverables and expense outlay. Travel costs and other reimbursable costs will only be accepted if they are in compliance with the guidelines in the contract.

1. **LENGTH OF CONTRACT**

The expected duration of the assignment is 9 months, with a tentative start in January 2025 and completion in October 2025.

1. **EXPECTED DELIVERABLES**

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| **#** | **Deliverable/Output** | **Target Timeline/Due Dates** | **Review/Approval** |
| 1 | Updated work plan, showing the timing for the software development with detailed terms of reference, beta-version development, testing, training and public presentations  | 2 weeks post-contract signing | To be submitted to the EUACI contact person by email during the Kick-Off meeting ahead of the presentation. |
| 2 | Detailed terms of reference (technical specifications) for the software development and approved by partner city | 6 weeks after contract signing | These should be detailed terms of reference presenting how the software shall function, reflecting both business processes agreed with the city and technical requirements |
| 3 | Data management: collection, processing, cleaning and uploading of data in the system | Constantly | It should form qualitative and structured sets of data based on data transferred by partner city |
| 4 | System prototype: happy path business processes are implemented and deployed on a testing environment | 4 months after detailed terms of reference approval | happy path business processes are implemented and deployed on a testing environment |
| 5 | System alpha version: all data are migrated and all processes are implemented and tested internally | 6 months after detailed terms of reference approval |  all data are migrated and all process are implemented and tested internally |
| 6 | System alpha ready: System alpha version is tested by City Council’s representatives based on test cases, at least 90% of test cases successfully passed  | 6.5 months after detailed terms of reference approval | System alpha version is tested by City Council’s representatives based on test cases, at least 90% of test cases successfully passed  |
| 7 | The beta version of the system is developed for the partner city and data are collected, refined and uploaded to the system | 7 months after detailed terms of reference approval | The beta version of the software is developed and presented to the city. Note: The system should be developed according to the detailed terms of reference (specifications) based on technical requirements and approved by EUACI and the city |
| 8 | The software installed on city servers and put into operation (productive) | 8 months after detailed technical reference approval | After testing the beta version of the developed system and addressing the comments received from the municipality, the system should be installed and configured on the municipality’s servers, and all of the documentation is transferredAll necessary software licenses, if any required, are transferred to the City council  |
| 9 | Preparation of training plan and at least 3 training sessions provided for public officials responsible for working in developed software of the partner city | 1 month after the beta version is developed and tested | A contractor is expected to develop training materials and provide at least 3 training sessions for public officials responsible for the system use |
| 10 | Provide technical support for at least 12 months  | 12 months after the contract expires.  | The number of hours of technical support is determined by a separate appendix to the terms of reference (technical specifications) |

The timelines indicated in the table above are indicative. The Contractor will reflect on and update the timelines for different activities while preparing and updating the Contractor’s work plan. During the Kick-Off meeting with the EUACI team, the Contractor’s updated work plan will be discussed, including the proposed timeline for the different activities and the submission of deliverables.

1. **KNOWLEDGE, SKILLS AND ABILITIES**

The assignment described above is expected to be carried out by a qualified Contractor. The Contractor has to meet a minimum of the following requirements:

* official registration of legal entities or individual entrepreneurs according to the legislation of Ukraine;
* minimum 3 years of experience with similar projects, including developing and implementing business processes;
* minimum 4 successfully implemented similar projects for local organizations;
* minimum 2 years of experience in cooperation with local self-governments on the development and implementation of software;
* the level of qualification of the specialists involved in the project (summary of the involved specialists) should be high (minimum master’s degree in computer science, accounting or relevant field).

The Contractor's core team shall include the following profiles:

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| **Position** | **Team Lead, project manager** |
| 1-General Qualifications | * 4 years of experience as a team lead in accounting development projects or/and project management
* Proven experience with providing technical assistance, services to organizations and agencies
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| 2-Adequacy for the assignment | * Experience in leading teams of a similar nature in a relevant technical field
* Experience in the implementation of database management systems
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| 3-Experience in the region and language | * Relevant working experience in the region.
* Basic English language communication skills (verbal and written, A2-level), fluency in Ukrainian
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|  **Position** | **Accounting Specialist** |   |
| 1-General Qualifications | * Master’s degree in accounting systems and technologies or relevant
* 3 years of experience in accounting development and implementation
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| 2-Adequacy for the assignment | * Experience in handling an assignment of a similar nature in a relevant technical field
* Experience in the implementation of accounting-based assets and database management systems and the application
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| 3-Experience in the region and language | * Relevant working experience in the region.
* Basic English language communication skills (verbal and written, A2-level), fluency in Ukrainian
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1. **METHODOLOGY**

The Contractor will work under the supervision of the EUACI Intervention Area 3 Team Lead. Based on the consultations with the EUACI staff and the needs identified in the documentation provided by the partner city, the Contractor will prepare the work plan and send it to the EUACI Intervention Area 3 Team Lead for approval at least a full work week ahead of time.

The Contractor's work plan shall be output-based, specifying the outputs the Consultant will be delivering or contributing to, the activities carried out, and the input required in terms of workdays. The contractor should appoint a responsible project manager for communication with the EUACI team and a responsible manager for communication with the city.

The Contractor reports monthly about the work plan implementation and plans to the EUACI Intervention Area 3 Team Lead.

1. **HOW TO APPLY**

The bidder must submit the following information to be considered:

1. A brief profile (maximum two pages) of the company;
2. A list of assignments (projects), similar to this project, implemented in the last five years;
3. The CVs (no more than three pages for each person) of the core team members who will be involved in the project;
4. Provide a detailed description of the methodology and scope of work;
5. Provide a budget for the services in EUR, inclusive of all taxes or other such charges.

To apply, please send all the documents listed above to tarslu@um.dk, cc ​​olena.ogorodnik@gmail.com and euaci@um.dk indicating the subject line "System for accounting of contracts".

The deadline for submitting the proposals is **20 January 2025**, **18:00** Kyiv time.

The proposals shall be submitted i**n English**.

Any clarification questions for the bid request should be addressed to tarslu@um.dk, cc ​​olena.ogorodnik@gmail.com no later than 15 January 2024, 18:00 Kyiv time.

Note that you will receive an auto-reply from euaci@um.dk when your application is received.

1. **EVALUATION CRITERIA**

Bids will be evaluated under the criteria provided below:

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| **##** | **Criteria** | **Weight** |
| 1 | Portfolio of projects successfully completed in the software development | 60% |
| 2 | Proposed budget | 20% |
| 3 | Core team members - relevant experience, skills and competencies (CVs) | 10% |
| 4 | Proposed methodology | 10% |