

## Terms of Reference – HCSA Financial Management Consultancy

### I. HCSA Background

The High Carbon Stock (HCS) Approach is a methodology that distinguishes forest areas for conservation from degraded lands with low carbon, social and biodiversity values that may be developed. The methodology was developed with the aim to ensure a practical, transparent, robust,

Currently, HCSA has its finances annually audited by an external third party and it seeks approval for annual budgets linked to annual HCSA workplans and fixed costs from its HCSA Executive Committee. It has been recognised that HCSA could further improve its financial planning, management and reporting to ensure there is good oversight on the financial health of the organisation and its fiscal management is well aligned with HCSA's Global Strategic Business and Theory of Change plans and priorities.

### II. Objective

As a growing organisation HCSA is seeking to enhance its financial management systems to support credible and transparent accounting and reporting to enable the organisation to properly plan, manage and grow its finances and maintain healthy fiscal organisation.

### III. Consultancy Remit

We are seeking the expertise of a consultant to support HCSA's secretariat and a subgroup of HCSA's Executive Committee to develop **financial, reporting and transparency management and systems recommendations** and **proposals** for HCSA to enhance its financial management reinforced by robust systems and procedures.

The consultant will conduct the following tasks:

- 1) **HCSA Financial Management Assessment & Gap Analysis will** be conducted to provide assess HCSA's current financial management, reporting and decision-making processes to identify gaps or areas that require strengthening to improve HCSA's financial, reporting and transparency management and systems. Key factors that will be considered under this assessment will include:
  - Assessment on the current financial reporting approach.
  - Report templates, budget and financial review (period) and approval mechanism (authorities/mechanism of approval and signing).
  - Mechanism(s) of fund allocation - Project prioritisation, subgrantee grant management, approval process, review process.
  - HCSA system for annual audits and auditing mechanism(s).
  - The production of financial records for publication in annual reports and submission to donors.

- 2) **Develop Recommendations & Proposals** for improving HCSA’s financial management, reporting/communications and transparency including the following considerations:
- Improvements that can be actioned by HCSA's secretariat finance and other supporting staff.
  - System improvements: to track and report out budget expenditures, reimbursements, and balances; tracking foundation grants/sources budgets and expenditure for specific of project-specific revenue and to enable easy reporting against grant deliverables.
  - Guidance to improve communications on financial matters to assist decision makers regarding the development of budget projections, prioritisation of budget requests and approval of budgets.

#### IV. Deliverables & Timeline

Output	Timeline
HCSA Financial Management Assessment & Gap Analysis	August 2020
Recommendations & Proposals	Mid-September 2020

#### V. Budget

- Commensurate with experience and expected deliverables.

#### VI. Qualifications and skills

- At least 5 or more years of experience managing non-profit finances and accounting system in donor funds strongly preferred.
- Experience in donor funds requirement compliance.
- Excellent budgeting and monitoring skills.
- Excellent verbal and written communication skills with experience in producing formal documentation; fluency in English is a requirement.
- Experience working as part of a team delivering coordinated services highly desirable
- Excellent project planner/manager and time management skills.
- Holistic and systems thinker with an eye for detail.
- Does not have a conflict of interest (independent/not part of HCSA SG).