



## **STRENGTHENING OF TAX ADMINISTRATION PROJECT**

### **REQUEST FOR EXPRESSIONS OF INTEREST**

#### **Consulting Services to design and implement an Internal Control Model including the implementation of a system to support internal control processes**

**Institution:** The Ministry of Finance (MOF)

**Country:** Belize

**Project:** Strengthening of Tax Administration (STA)

**Abstract:** Consulting Services to design and implement an Internal Control Model including the implementation of a system to support internal control processes

**Loan No.:** 4839/OC-BL

**Deadline:** April 26, 2022, Belize Local Time

The Government of Belize (GOB) has received financing from the Inter-American Development Bank (IDB) for the execution of a five-year tax modernization project entitled “Strengthening of Tax Administration” (BL-L1031). Through this project, the Belize Tax Service Department (BTSD) has procured a Modern Integrated Tax Administration System (the Revenue Management System (RMS)) and is presently in the implementation process. This new system will be used in the management of the Belize Tax Administration.

BTSD staff integrity is a concern for its management. The BTSD strategic plan indicates that: “Corruption has devastating effects on the integrity of any organization. At the BTS the effects would be particularly harmful as corrupt activities could compromise the collection of revenue; impede tax compliance; negatively impact the image of the Agency and reduce the public’s confidence in the Agency’s ability to objectively administer taxes.

As such, an Internal Audit Division will be executed to conduct investigations into alleged employee misconduct and ensure that commensurable disciplinary actions are taken when staffers are found culpable. Additionally, a new Employee Code of Conduct will be drafted, which will be instructive on the standards of Professional Conduct. Given that partnerships with the public are important in combating corruption, Outreach Programs will be utilized to engage civil society and to aid in deterring and reporting immoral activities.”

Management is also concerned about internal audit. They have identified the need for regular reviews the compliance with the department’s regulations, operations, procedures, and controls and if they comply with the international goods practices and operate effectively.

So, BTSD is looking for reorganizing its Internal Audit Division into an Internal Control Division with the view of improving both, the control of staff integrity and the internal audit. This consultancy is intended to address this concern.

Consequently, the BTSD will explore the introduction of a Risk Management Plan (RMP) to properly respond to the risks identified on a timely basis, to minimize overall compliance burden for both the taxpayers and the tax administration. As an important aspect of the RMP, risk mitigating strategies will be proposed for application against potential and existing risks. The plan will highlight all areas of risks including risk-based assessments, risk-based audits, risk-based sector and taxpayer segmentation,

compliance risks (registration, filing, reporting and payments) and international risks. Risk mitigation reduces the extent of exposure and ensures that the strategic objectives are achieved.”

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The consulting services (“the services”) includes the contracting of a Consulting Firm for a period of eight (8) months is to design and implement an Internal Control Model including the implementation of a system to support internal control processes. The main activity of the consultancy includes:

- 1 Prepare the action plan for implementation of the new Internal Control function includes:
  - a. Detailed project, its outcomes and success indicators
  - b. Intended results and their justification
  - c. The consultancy risk assessment and mitigation
  - d. Cost and other detailed resource requirements, if necessary
  - e. Schedule for implementation
- 2 Carry out an assessment
  - a. Review BTSD current practices and recent events regarding Internal audit and integrity investigation
  - b. Review BTSD Internal Audit Division organization, staff, and legal framework
  - c. Review the BTSD current regulations, operations, procedures, and controls with a view to prepare internal audit and integrity investigation plans
  - d. Review BTSD compliance with the new ITAS procedures
  - e. Review recent cases of BTSD staff integrity issues
  - f. Interview relevant stakeholders to determine the general perception on the BTSD staff integrity
- 3 Draft Internal Control Model
  - a. Outline the guidelines and policies to the implementation and operation of the BTSD Internal Control Model including internal audit and integrity investigations
  - b. Define the Internal Control procedures inclusive case selection and processing
  - c. Define the necessary changes in, or queries to ITAS to provide information on potential integrity deviations and for case selection
- 4 Design and implement the BTSD Internal Audit organizational structure
  - a. Propose the organizational structure of the BTSD Internal Division including the internal audit and integrity investigation units
  - b. Prepare the job descriptions, including competencies, for staff of the BTSD Internal Audit Division
  - c. Estimate the necessary HR for the unit
    - a. Define the required BTSD Internal Control staff skills, knowledge, and abilities,
    - b. Define the requirements for the Internal Control staff training
  - d. Train the Internal Control Division staff
- 5 Development of the Internal Control Manuals, handbooks, and Code of Conduct
  - a. Draft the Internal audit manual
  - b. Draft the integrity investigation manual
  - c. Draft the necessary handbooks for both areas
  - d. Draft the BTSD staff Code of Conduct
  - e. The **Internal Audit manual** should include at least:
    - i. The Internal Audit mission and strategies
    - ii. The Internal Audit procedures

- iii. The Internal Audit organizational structure as part of the Internal Control Division
    - iv. The job descriptions for the Internal Audit staff
    - v. The estimation of Internal Audit staff by function
    - vi. The applications/software needs.
    - vii. The Internal Audit's performance indicators and targets
  - f. The **Integrity Investigation** manual should include at least:
    - i. The Integrity Investigation mission and strategies
    - ii. The Integrity investigation procedures
    - iii. The Integrity Investigation organizational structure as part of the Internal Control Division
    - iv. The job descriptions for the Integrity Investigation staff
    - v. The estimation of Integrity Investigation staff by function
    - vi. The Integrity Investigation applications/software needs.
    - vii. The Integrity Investigation's performance indicators and targets
- 6 Execute dissemination sensitization workshops on the Internal Control model and manuals, including Internal Audit and Integrity Investigations
- a. Deliver seminar for the BRS managers
  - b. Deliver seminars for the Internal Control staff
  - c. Deliver seminars for the BTSD staff
  - d. Deliver seminars to other authorities
  - e. Deliver seminars for main stakeholders
  - f. Train the Internal Audit Staff
  - g. Train the Integrity Investigation Staff

The consulting firm should have a minimum of five (5) years' experience in similar assignment. In addition, the consulting firm should have a minimum of five (5) years specific experience in the following:

- Organizational development and design
- Development of internal audit and staff integrity investigation systems
- Development of internal audit and staff integrity investigation organizations
- Development of internal audit and staff integrity investigation procedures and manuals
- Job analysis and job evaluation
- Training needs analysis, and;
- Staff training capacity

**The firm** will need to have or demonstrate expertise in internal audit and integrity investigation, communication and interpersonal skills, business Strategy (supporting business and organizational goals), Presentation and facilitation skills, flexibility and adaptability, time management skills, fluency in written and spoken English is essential, and highly motivated and committed. As well as have knowledge and experience working in Belize and or the Caribbean environment in a similar assignment.

The Ministry of Finance now invites eligible Consulting Firms ("Consultants") to indicate their interest in providing the services. Interested eligible Consultants must submit an Expression of Interest providing information demonstrating that they have the required qualifications and relevant experience to perform the services (description of similar assignments specifying start and end dates of assignments, experience in similar conditions, availability of appropriate skills, etc.). *The term "consultant" means a legally established professional consulting firm or an entity that may provide the services.*

**Expression of Interest package should contain:**

- (i) Document explaining interest, experience, and competence of the consulting firm.
- (ii) Firms experience in the assignment of similar consultancy services during the past five years. Description of similar assignments specifying start and end dates of assignments.
- (iii) Firms evidence of past jobs. (These includes letters from the respective client on the job (s) carried out, or a copy of contract or agreement with the client including copy of the TOR).

- (iv) Two references
- (v) Proof of nationality: Copy of certificate of incorporation, information of shareholders of company specifying the shares owned by each respective shareholder of the company and a copy of documentation of nationality of the shareholders of the company.

**Additional documentation required for National Consultants:**

- (vi) Copy of Certificate of Good Standing from Belize Company Registry
- (vii) Copy of Certificate of Good Standing from the Social Security Board
- (viii) Copy of Certificate of Good Standing from the Belize Tax Service
- (ix) Copy of Current Trade License

The total estimated contract price for this consultancy inclusive of taxes is **US \$ 319,805.00**

Consultants will be selected in accordance with the with the Quality and Cost - Based Selection (QCBS) procurement method set out in the Inter-American Development Bank: *Policies for the Selection and Contracting of Consultants financed by the Inter-American Development Bank* (GN-2350-15, May 2019 edition) and is open to all eligible consultants as defined in the IDB policies. The selection of the successful firm will be based on a competitive process among short-listed firms that takes into account the quality of the proposal and the cost of the service. **Only the short-listed firms will be notified and will be asked to submit a technical and price proposal.**

Consultants may associate with other firms in the form of a joint venture or a sub-consultancy to enhance their qualifications. For the purpose of establishing the short list, the nationality of a firm is that of the country in which it is legally incorporated or constituted and in the case of Joint Venture, the nationality of the firm appointed to represent it.

**Further information** can be obtained at the address below during office hours Monday to Friday 8:00 a.m. to 3:30 p.m. Expressions of interest must be delivered via direct mail or e-mail at the address indicated below by 3:30 p.m. (Belize local time) on Tuesday April 26, 2022.

Interested consulting firms are asked to submit their expression of interest via e-mail to [Michelle.Longsworth@bts.gov.bz](mailto:Michelle.Longsworth@bts.gov.bz) marked STAP- Consulting firm to design and implement an Internal Control Model including the implementation of a system to support internal control processes in the subject header, or submit on or before 3:30 p.m. (Belize local time) on Tuesday April 26, 2022 to the following address:

**Director General  
Belize Tax Service  
Strengthening of Tax Administration Project  
Charles Bartlett Hyde Building  
Mahogany Street, Belize City  
Tel: 501-222-5114**

For clarifications kindly contact:

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Tel: 501-222-5114/E-mail: [Ian.Ramirez@mof.gov.bz](mailto:Ian.Ramirez@mof.gov.bz)**