Brief of the Scope of Services

For
Requirement Study of Management Information System for Sri Lanka Accounting and Auditing Standards Monitoring Board

1. Introduction;

Requirement for a Management Information System for Sri Lanka Accounting and Auditing Standards Monitoring Board has arisen due to unavailability of a software solution for their operations at present. A centralized solution improves the evidence based decision making process in relation to their monitoring activities.An effective and efficient decision making is one of the key factors for a productive government service delivery process and ensures a good governance model.

SLAASMB is the main stakeholder of this Management Information System. In addition Ministry of Finance, Institute of Chartered Accountants of Sri Lanka, Department of Registrar of Companies and Auditor General's Department are identified as the other stakeholders involved in this project.

2. Background;

SLAASMB was established under the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995. Based on the definitions and criteria laid down by the Act, certain institutions are identified as specified business enterprises (SBEs). These include all quoted companies, companies carrying on business which are important for the purpose of monitoring (such as banking, finance, insurance, and leasing), other large companies (Public and Private), and Public Corporations. These institutions are required to comply with Sri Lanka Accounting Standards and the auditors of such enterprises are required to comply with Sri Lanka Auditing Standards. The Act requires such enterprises to submit their annual audited financial statements to SLAASMB to enable SLAASMB to monitor compliance with Sri Lanka Accounting Standards and Sri Lanka Auditing Standards.

SLAASMB carries out its functions by reviewing financial statements received, reviewing audits and conducting investigations on failure to comply with standards and taking appropriate corrective action with regard to deviations from standards by SBEs and auditors. In order to facilitate its functions, SLAASMB provides financial assistance by way of an annual grant to the Institute of Chartered Accountants of Sri Lanka for setting standards, and maintain relations with relevant international organisations.

The SLAASMB is empowered to call for documents, information and explanations from Directors and Managers of SBEs and Auditors of SBEs for the purpose of carrying out its functions. Where Financial Statements have not been prepared in accordance with Sri Lanka Accounting Standards, the SLAASMB could require an enterprise to make suitable corrections.

The Board has the power to compound an offence for a sum of money not exceeding 1/3 the maximum fine. In cases where noncompliance was done deliberately to mislead the public the courts may impose penalties extending up to 5 years imprisonment.

3. Current System Issues

The current system at SLAASMB to record and maintain information on receipts, reviews and analysis of financial statements and reviews of audit files are based on a number of access/excel worksheets which causes limitations and errors when carrying out the day to day work of the organization. Following are some of the identified issues existing in the current system:

- Wastage of time
  - SLAASMB manual process takes longer time to process (including generation of reports).

- Gap between real outcomes and expected outcomes.

- Consistency Issues
  - In the absence of formats and templates, same issues could be retrieved/ reported in different ways.
  - In the absence of formats and templates instances of difficulties in recording data were noted.

- Database Maintenance Issues
  - In the current context, SLAASMB's data can be lost due to the nature of files, IT knowledge of staff who maintain databases and human errors on entry and on sorting.

- Duplication of work
  - Duplication of work is a considerable issue in the current system. SLAASMB has encountered many instances where the work - from input of data on receipts of financial statements to obtaining various reports to present to the Board are being duplicated.

- Difficulty to maintain historical data
  - Difficulties are being faced by staff on maintaining historical data and retrieving such data for presentation purposes.

- No proper data backup system
  - Risk of data being destroyed due to natural disasters, technological obsolesces, human errors, storage of large volume of data, etc.
- Data redundancy
  - Many files are created with same information and some of the data stored are never used

- Less Efficiency and Effectiveness of the manual work flow of the SLAASMB.
  - Inability to generate certain management information reports (sector wise / industry wise / group wise analysis)

  - Less information in relation to Audits and auditors.

4. Concise statement of the objectives;

The objectives of this Requirement Study of Management Information System for Sri Lanka Accounting and Auditing Standards Monitoring Board are to;
   a) Conduct a system study of the data and information process used in the Monitoring System of SLAASMB.
   b) Prepare a Detailed Software Requirement Specification
   c) Conduct an information and service classification and develop an information sharing policy
   d) Develop a system prototype

5. Scope of Work;

5.1 The Proposed Management Information System (MIS) for Sri Lanka Accounting and Auditing Standards Monitoring Board should be capable of facilitating a document management system to receive, store and maintain financial statements provided by SBE's and facilitating analysis and reporting of noncompliance with accounting and auditing standards to take corrective actions and to generate information from these processes. In order to satisfy the above requirement the Consultant should conduct a study of the existing processes of functions of SLAASMB.

5.2 Consultant should conduct the interviews, meet-ups and group discussion for the requirement study of the Management Information System.

5.3 The consultant should conduct requirement gathering workshops for SLAASMB to identify the current manual processes and functions.

5.4 The system requirement study report should cover the recommendations to improve the existing processes as process improvements to increase efficiency of the proposed system.

5.5 Consultant should conduct a literature review of similar systems that are available in other countries and select best five countries to evaluate the best practices that they follow.

5.6 Investigation of system architecture and functions of the already implemented and functioning financial reporting and auditing standards compliance monitoring systems in other countries. Make recommendation of best practices to be followed locally.

5.7   System Architecture should generally cover parameters such as,

   - Flexibility and extensibility
   - Data and application interoperability
   - Cloud based and centralized processing capability
   - Hardware and software requirements for open source and proprietary products separately or in-combination where it is required
   - Specify the Hardware and Network requirements for the project
   - Security aspects
   - For the Non-Functional Requirements, please refer sample guidelines given in "Annex A"

5.8 System architecture should consist of software architecture as well as the hardware components.

5.9 Prepare a draft Requirement Study Report, do presentations and incorporate amendments.

5.10 Develop a draft prototype for the proposed system.

5.11 The consultant should present the draft prototype for the review committee and identify suggestions and get the sign-off.

5.12 Information and service classification to be carried out based on the Information and Service Classification Framework (Annex B)

5.13 Cost estimation for each component as per the item 5.7 above

5.14 Identify the connectivity requirements, concurrent users, access control, privileges and user roles

5.15 Identify the capacity development requirements for the required team members at SLAASMB.

5.16 Consultant should provide specifications required for above stated hardware, software and networks requirements at SLAASMB office.

5.17 Consultant should attend to the pre-bid conference of the system development tender to explain the requirements for system development bidders.

5.18 Consultant should provide a functional model as a prototype for the proposed system

5.19 Consultant should illustrate functional requirements of the system in detail using Use Case description, diagrams, sample forms, interfaces, etc.

6. Final outputs, Reporting Requirements, Time Schedule for Deliverables;

Requirement Study duration of Management Information System for Sri Lanka Accounting and Auditing Standards Monitoring Board is 02 months, including hiring an Individual Consultant and the delivery of Requirement Study Report.

Requirement Study is required to submit the following list of deliverables for the MIS for accounting and auditing standards monitoring.

No	Deliverables
5.1	Detailed System Requirement Specification for the processes of the MIS.
5.2	Information and service classification, data standards and related data policies.
5.3	Detailed hardware and software requirement specifications and cost estimations.
5.4	Report findings of literature survey and best practices study.
5.5	System Prototype.
5.6	Proposed phase out implementation approach.

7. Qualification Requirements for the Consultant

Essential

The consultant will demonstrate a minimum of five (05) years of experience in Sri Lanka and/or a country of comparable social, economic and development conditions, where the consultant has worked with government and the private sector as the Business Analyst/ Business Consultant / Process Designer in government sector software applications and the primary implementer of an ICT project, specifically in the areas of Requirement study, Functional analysis and mapping.

Applicant will demonstrate extensive knowledge on implementation of ICT projects in Sri Lanka preferably in government sector.

Key Experience

The consultant should have extensive experience in the following areas;

- Business Analyst of Government Functions and Process
- Database concepts and Management
- High awareness of Network Infrastructure & basic Application Security Concepts
- Change management and approval process
- Exposure to private and public Accounting and Auditing Standards.

The consultant should also be able to demonstrate;
a) A minimum of five (05) years of post-academic/professional qualification experience in the relevant areas of ICT development projects
b) Excellent writing and communication skills in English and knowledge of Sinhala and Tamil languages might be an advantage.

8. Services and Facilities Provided by ICTA

a) Framework document of the information and service classification
b) Template of the information sharing policy

9. References:
[1]eGovernment Policy Approved by Cabinet of Sri Lanka - http://www.icta.lk/index.php/en/e-governement-policy
[2] Lanka Interoperability Framework - http://www.life.gov.lk/

10. Review Committees and Review Procedures

ICTA will appoint a review committee in collaboration with stakeholder organizations to review the documents prepared by the selected consultant.

Annex (A)

Non-Functional Requirements

1. Security

1.1. User authentication and authorization
An administrative application need to be developed wherever applicable.

1.2. Availability
The system should be developed to ensure "High Availability" to remain the system available all the time. (E.g. Portlets clustering capability should be taken into consideration in the development)

1.3. Non-repudiation
The system should ensure non-repudiation by having standard audit-trails and provisions to have WS-Security using digital signatures.

2. Audit Facilities

Wherever applicable, an audit trail of all activities must be maintained. On a service or operation being initiated, the system should log the event, creating a basic 'audit log entry'. It should not be possible for the operation to be executed without the log entry being made.

The information recorded in the audit trail depends on the type of activity which takes place. Each service would be responsible for logging detailed information. The different types of operations are -
- Data Capture & Maintenance
- Creation of an entry / item
- Modification an item
- Deletion
- Control (or status change)
- Process execution
- Data synchronization
- Print (only selected item)
- Retrieval
- Monitor

Detail logging may be enabled or disabled for each type of operation, and/or for each business object. It should be possible to configure which attributes of a data item should be traced at the detail level. Tracing of some attributes may be considered mandatory, and they should not be turned off.

3. Backup and Contingency Planning

The main contingencies that should be considered and the training with regards to these shall be given to the relevant staff -
- Equipment failure
- Physical / natural Disaster
- Messaging or communication facilities.

- Changes in operations and policy
- Sudden absence of key personnel
- Breach in Security

Automatic Backups daily, weekly and monthly should be taken. All the backup procedures and backups needs to be tested regularly for restoration.

4. Performance

Following performance criteria is provided as a guideline only. If the actual performance is falling below the stipulated figures, the consultant is to justify the reasons. However, the performance level must be accepted by the technical evaluation committee appointed by the client.

The bandwidth is assumed at 512kbps (shared) (point to point between LIX and the Department web service) with 1,000 concurrent users (50% load factor) in total.

Item	Performance
Screen Navigation: field-to-field	< 10 milliseconds
Screen Navigation: screen-to-screen	< 5 seconds
Screen Refresh	< 3 seconds
Screen list box, combo box	< 3 seconds
Screen grid – 25 rows, 10 columns	< 5 seconds
Report preview – (all reports) – initial page view (if asynchronous)	< 60 seconds in most instances. It is understood that complicated / large volume reports may require a longer period
Simple enquiry – single table, 5 fields, 3 conditions – without screen rendering	< 5 seconds for 100,000 rows
Complex enquiry – multiple joined table (5), 10 fields, 3 conditions – without screen rendering	< 8 seconds for 100,000 rows
Server side validations / computations	< 10 milliseconds
Client side validations / computations	< 1 millisecond
Batch processing (if any) per 100 records	< 120 seconds
Login, authentication, and verification	< 3 seconds
Daily backups (@ Dept.) – max duration	1 hour (on-line preferred)
Total Restore (@Dept) – max duration	4 hours