**TERMS OF REFERENCE AND SCOPE OF SERVICES**

**OPERATIONAL AUDIT OF THE CCT PROGRAM FOR SECONDARY EDUCATION AND THE CCT PROGRAM FOR SUBSIDIZED EMPLOYMENT**

1. **BACKGROUND**

Ministry of Labor and Social Protection of the Republic of Macedonia (MLSP) along with the World Bank undertook the implementation of two Conditional Cash Transfer (CCT) Programs focused on alleviating poverty among the poorest and most vulnerable population in Macedonia.

The CCT programs are aimed at improving the education and labor sector by promoting enrollment education and employment. The implementing agency of the two programs: CCT Program for poor households with children attending secondary education and CCT Program for Subsidized Employment is the Ministry of Labor and Social Protection.

The CCT Program for secondary education is being implemented starting from the school year 2010/2011 and the CCT program for subsidized employment is being implemented starting November 2013.

1. **The CCT educational program** includes the following processes: target group identification, information dissemination process, application processdecision making, taking preventive and corrective measures, compliance monitoring, payment process, case management, complaints process and home visits, monitoring and evaluation, and exit policy. The details of the program’s design parameters and project cycle are outlined in the Manual for Educational Program operations (MEPO) which shall be given to the first ranked short listed consultant..

Each process comprised in the project cycle of the program includes various sub-processes which need to be assessed in order to achieve an adequate implementation of the CCT Program.

In this sense, the following section will outline the main aspects of each process to be appraised within this assignement:

**Target group identification and information dissemination process:**

The identification process of potential beneficiaries is carried out through crosschecks and identification of the lists of eligible families by using the database of SFA beneficiaries.

The identification process assumes forecasting of the number of potential beneficiaries, and analysis of the differences between the projected and actual number of CCT applicants, and initiating measures for (their) inclusion into CCT program.

The eligible families are being informed about the program during their regular visits to the SWC’s ( regular monthly recertification other regular visits) . In addition, a broader information diffusion campaign to call the attention of families who might be eligible for the CCT is being organized (TV/radio ads and interviews on TV/radio , promotional posters and leaflets distributed to the high schools and SWC’s).

**Application Process, Decision making, taking preventive and correcticve measures:**

The application period starts 1-st of September and lasts till March 31st, The application process will be repeated each year in order to maintain the information of children updated.

After the application process, the decision making process begins to determine whether the applicants fulfill the program conditionalities.. The booth processes are performed in the SWCs.

During the targeting, enrolment and decision making process preventive and corrective measures will be applied as given in the MEPO:

**Compliance Monitoring:**

The beneficiary must attend a minimum number of the school classes performed in the defined period as set in the MEPO in order to qualify for payment for the defined period (there are 4 measurement periods).

The compliance monitoring is performed at the end of each period regardless of the compliance with the conditionality in the previous period.

The schools enter the attendance records of the beneficiary students directly into the CBMIS CCT module after termination of the reporting period. Afterwards, the system calculates the attendance percentage.

**Payment Process:**

The payment process includes payment parameters on which the CCT Education grant is focused. Likewise, the payment process involves conditionalities to be met by beneficiaries in order for them to collect their payment. Conditionalities are:

* Enrollment in a school year
* There must be a minimum attendance during the monitored quarter. If the beneficiary does not comply with this condition, s/he will not receive the quarter amount corresponding to each period that has not been fulfilled.

More details on compliance and payment processes are provided in the Manual for Educational Program Operations (MEPO) which will be given to the first ranked short listed consultant.

**Case Management:**

The case management system serves the purpose of handling and monitoring dynamic changes taking place in households participating in the Program. Three types of issues have to be handled: application, updates and complaints.

**Complaints process**

The beneficiary or representative of the beneficiary (i.e. household head) may go to the appropriate municipal SWC office and file the complaint/appeal.

If the Social Worker founds that the beneficiary’s appeal is justified, the appeal is accepted and the respective measures are undertaken in accordance with justified grounds for appeal/complaint. If the social worker considers the appeal/complain not justified, he/she will send the complaint/appeal to the Complaints officer in the CCT IU for second instance decision making in the Ministry of Labor and Social Policy who will collect the information needed for appeals/complaints resolution and decide the on the appeal.

**Monitoring and Evaluation:**

The monitoring and evaluation process include sub-processes such as internal and external evaluation, operational auditing as well as the generation of MIS (Management Information System) indicators and variables which support the evaluation of the cycle stages of the CCT Program.

**Exit Policy:**

The program intends to ensure maximum impact by providing beneficiaries with the cash transfers as long as possible, taking in consideration that they have a need and they continue to meet with the program criteria. Beneficiaries will exit the program for the following reasons:

* The household has to exit the program because it is no longer eligible to receive the Social Financial Assistance. In such a case the adolescent will remain in the program until the end of the respective school quarter.
* The household has to exit the program because the adolescent has completed secondary school. In this case, the goal of the program is achieved and the need for the educational incentive does no longer persist.

Detailed presentation of the processes are provided in the Manual for Educational Program Operations (MEPO) which will be given to the first ranked short listed consultant

1. **The CCT subsidized employment program** includes the following processes: targeting, identification and information dissemination process, distribution of subsidies among employment centers, enrolment process, compliance process, case management, taking preventive and corrective measures, complaints process, case management, payment process, monitoring and evaluation. The details of the program’s design parameters and project cycle are outlined in the Manual on Operations of the CCT Subsidized employment program (MSEPO) which shall be given to the first ranked short listed consultant..

Each process comprised in the project cycle of the program includes various sub-processes which need to be assessed in order to achieve an adequate implementation of the CCT Program.

In this sense, the following section will outline the main aspects of the processes which need to be appraised within this assignment.

**Targeting , identification and information dissemination process**

The identification process of the potential CCT subsidized employment program beneficiaries is done by CCTIU (Conditionals Cash Transfers Implementation Unit established within the MLSP) and NEA by data crossing between Management Information Systems at NEA and MLSP.

The beneficiaries will be informed of the CCT SEP in the NEA as well as in SWC offices. The information dissemination campaign will be held by NEA and MLSP/SWC, through existing mechanisms and means for other programs.

**Distribution of subsidies among employment centers**

A formula for a fair distribution of employment subsidies among employment centers is applied, where appropriate, as it is currently done at the NEA with other programs. More details are given in the MSEPO.

**Enrolment process**

Application screening process:

After receiving the applications from the unemployed persons (potential beneficiaries) and employers, as a response to the published ad or by direct invitation of potential applicants through cross matching of MLSP MIS on potential beneficiaries and NEA MIS, the NEA will determine whether they fulfill the general qualification criteria.

Once the applications are received and eligibility is assessed, the matching of the skills of the applicants and the needs of the employers will take place in the regional NEA offices who would in addition invite the applicants that have requested skills, in the job clubs where they will receive training or get prepared for the employer’s interviewing phase.

Once the interested employers make their decisions about hiring certain individuals from the pool of eligible, they will have to sign a contract with the regional office of the NEA. This contract regulates the right and obligations of each of its parties, as well as the conditional for the financial support (subsidy).

In addition, the employer would sign standard working contract with the selected employee according to the Law on labor relations in Republic of Macedonia. The individuals that will sign a contract for subsidized employment will be registered in the MLSP MIS and NEA MIS through data exchange between these information systems.

**Preventive and corrective measures,**

During the targeting, enrolment and contracting process the MLSP/CCTIU together with NEA and SWC will apply preventive and corrective measures.

**Complaints process**

The CCT subsidized employment program committee is responsible for complain process.

**Case management**

Case management aims at handling and monitoring difficulties in application, enrolment, contracting, and employment retention of beneficiaries. The regional NEA offices will be responsible for the case management process.

**Monitoring and evaluation**

The following monitoring and evaluation practices are to be executed during the project lifetime: Internal monitoring and evaluation, Program Impact evaluation, External audits i.e. performance and operational and financial audits.

1. **ASSIGNMENT OBJECTIVE**

The main objective of this consultancy is to detect if the two CCT Programs, i.e. the CCT educational program and the CCT program for subsidized employment are following the guidelines specified in the: Manual for Educational Program operations (MEPO) and the Manual on Operations of the CCT Subsidized employment program (MSEPO), evaluate the effectiveness of defined processes and provide recommendations for adjustments/modifications to be made in the process and/or MEPO/MSEPO.

1. **METHODOLOGY AND ACTIVITIES**

The consultant must use several techniques to complete the work including review of documents and processes, direct observation, individual interviews, focus groups and revision of information provided by the program’s MIS. Audits arranged by PMU (project Management Unit) will help in the process evaluations. This and other audits will be used to appraise the implementation of the projects against its design.

With the help of these techniques, the consultant should be able to answer the following questions for the two CCT programs, in the reports that should result from this activity :

* Asses the public information campaigns effectiveness in the monitored schools, SWC’s, NEA offices and other sources of information and it’s compatibility with the project documents (MEPO/MSEPO) . Provide assessment on the areas that need to be adjusted/improved and provide recommendations for adjustments if needed
* Whether activities of the application process is the same established in the MEPO/MSEPO? Provide assessment on the areas that need to be adjusted/improved and provide recommendations for adjustments if needed
* Whether the work carried out by SWC’s/CCTIU/NEA including data entry, data quality verifications, production of formats and reports. Taking preventive and corrective measures is in accordance with the MEPO/MSEPO? Provide assessment on the areas that need to be adjusted/improved and provide recommendations for adjustments if needed.
* Verify whether the eligibility criteria is being assessed in accordance with the parameters of the program and if the eligibility criteria required is the same with the ones established in the MEPO/MSEPO? Provide assessment on the areas that need to be adjusted/improved. Recommendations for adjustments/corrections to be provided if needed.
* Whether the compliance monitoring process is the same established in the MEPO/MSEPO and moreover if the monitoring compliance process is being executed accordingly? Provide assessment on the areas that need to be adjusted/improved and provide recommendations for adjustments if needed
* Whether the payment process is being undertaken in accordance with the requirements of the programs and the procedures described in the MEPO/MSEPO and if the payments are well directed to the right beneficiaries? Provide assessment on the areas that need to be adjusted/improved and provide recommendations for adjustments if needed
* Assess whether the FMS is transparent and automatically reconciles all data, and provide recommendations on the possible improvements
* Whether the case management and home visit process is accordingly executed and if the information provided by beneficiaries is accurate for the purposes of the programs? Provide assessment on the areas that need to be adjusted/improved and provide recommendations for adjustments if needed
* Provide an assessment of the complaints handling system and advice on adjustments to ensure that the loop between the program beneficiaries and the CCTIU/Bank-NEA is closed
  1. The Consultant shall undertake, among others, the following tasks:

1. Design tools (questionnaires, guidelines, topics and other qualitative instruments) for each process of the CCT programs to learn about the activities and identify possible flaws in the process, differences with respect to what is outlined in the Operations Manuals.
2. Identify a sample of four SWC and four NEA offices in four different regions of the Republic of Macedonia, to carry out the field visits and review the process in detail.
3. Agree with MLSP/NEACCT project the SWC and NEA offices to be analyzed.
4. Apply the tools on the field, and mainly analyze the training, logistic plan, public campaign, data collection and work done by CCTIU, SWC, NEA and PMU
5. Prepare a detailed report, and provide feedback, lessons learned, conclusions and recommendations to the CCT Program’s management.
6. **REPORTING OBLIGATIONS**
7. **Deliverables for the CCT educational program**

The consultant shall deliver the following outputs for each the school year , i.e. 2016/2017 and for the school year 2017/2018.

* Work plan
* Report containing a detailed description of the sampling tools and technology to be used. To be provided before the execution of the actual analysis
* A comprehensive final report for each school year describing the activities, lessons learned, conclusions, and recommendations. This report must include the tools utilized for the assessment.

Each yearly audit is to be completed in a period of 2 months after receiving notification from the Ministry of Labor and social policy for starting the audit.

1. **Deliverables for the CCT employment program**

The consultant shall deliver the following two outputs for the program implementation during 2017 and during 2018

* Work plan
* Defined samples and methodology to be applied.
* Report containing the results of the compliance monitoring analysis along with conclusions and recommendations.
* Report containing the results of the payment analysis along with conclusions and recommendations.

The yearly audits shall be completed in a period of 2 months after receiving notification from the Ministry of Labor and social policy for starting the audit.

The reports shall be submitted in English and in Macedonian Language.

**V. QUALIFICATION**

# The desired qualifications of the consultants' firm for this assignment are the following:

* Minimum 3 years of experience in carrying out researches, quantitative and qualitative analyses and process evaluations preferably of programs in the area of social protection, education and employment;
* Experience in conduction analysis of public institutions;
* Significant number of conducted quantitative and qualitative researches;
* Excellent knowledge in the research methodology. Published results of the researches conducted will be considered an advantage;
* Experience in analyzing the implementation of government programs, including experience in capacity building of public sector institutions.

# The requested Experience and Qualifications of Consultant’s Staff are:

**a. Team Leader**

* Advanced degree, or at least university degree,
* Experience as a team leader or Project manager,
* At least five years of experience in managing teams, supervising and coordinating all technical aspects of a contract,
* Expertise in research methodology,
* In depth knowledge of questionnaire construction and sample design,
* Profound experience in research designs,
* Excellent knowledge of monitoring and evaluation,
* At least five years experience in working with public administration and public administration reforms,
* Knowledge of the Macedonian social protection, education and labor policy,
* Excellent drafting and reporting skills,
* Excellent knowledge of the Macedonian and English language.

**b. Operational Evaluation Expert**

* At least university degree in Social Sciences,
* Excellent analytical and reporting skills,
* Proven successful expertise in Operational Monitoring & Evaluation,
* Excellent knowledge of the Macedonian and English language.

**c. Organizational Expert**

* At least university degree in Social Sciences,
* Proven successful expertise in Organizational Development,
* Awareness of the government policy issues in general and the policy issues facing the social sector,
* Experience of conducting analysis in public administration bodies (preferably in social policy, labor and education),
* Excellent knowledge of the Macedonian and English language.

**d. Social Policy Specialist:**

* At least university degree in Social Sciences,
* Excellent knowledge of organizational development,
* Knowledge of the Macedonian social protection, education and labour system,
* Experience in implementation and coordination of project and programs in the field of social protection, education and labour area,
* Excellent knowledge of the Macedonian and English language.

# VI. DURATION OF THE ASSIGNMENT

The expected start date of the assignment is December 2017, and the expected duration of the assignment is until August 31, 2018.