



TERMS OF REFERENCE

PROJECT MANAGER –

**INTEGRATED FINANCIAL MANAGEMENT INFORMATION SYSTEM
(IFMIS): UPGRADE FROM EPICOR 10.2 TO EPICOR KINETIC**

FOR

MINISTRY OF FINANCE AND DEVELOPMENT PLANNING

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1. Background

Ministry of Finance and Development Planning (MoFDP) Lesotho, is embarking on the next phase of modernizing and digitalizing Public Finance Management (PFM) in Lesotho. MoFDP implemented the Epicor-based Integrated Financial Management Information System (IFMIS) version 7.3.5 in 2009. In 2019, the system was upgraded to Epicor version 10.2 to leverage technological advancements and support the implementation of enhanced business processes. The IFMIS is currently utilized by all Lesotho Ministries and Councils, as well as by Lesotho Foreign Missions in South Africa and Ethiopia.

The IFMIS is a central element of modernizing PFM. MoFDP is planning to upgrade the current Epicor 10.2 version to the latest release Epicor Kinetic. The upgrade is intended to improve overall PFM support, enhance the system architecture and performance, improve cybersecurity, and ensure continued vendor support and long-term sustainability.

The MoFDP is using the Epicor version upgrade opportunity to incorporate functional improvements in IFMIS support to PFM processes. Areas of PFM functional improvement will include:

- Further strengthening internal controls in the IFMIS;
- Implementation of the use of digital signature in PFM processes;
- Automation of process steps in PFM processes;
- Further development of electronic data exchange between IFMIS and relevant systems; and
- Transition to fully electronic expenditure payment processes

Ministry of Information, Communication, Science, Technology and Innovation (MICSTI) is also implementing a government technology stack of reusable components, including Digital Signature Service (DSS) software, the EPM Payment Gateway for electronic payments and cashless operations, and a secure data exchange platform built on X-Road. The PFM

functional improvements in the Epicor Kinetic upgrade will incorporate use of these components.

In parallel with the software upgrade, the MoFDP intends to replace the existing IFMIS server infrastructure. The current servers were procured in 2018 during the previous version upgrade and modernization phase and have been in operation for approximately six years. Given the increasing functional and system demands, expanded user base, and enhanced performance requirements associated with Epicor Kinetic, it is necessary to optimize and modernize the server hardware to ensure compatibility, scalability, reliability, and improved processing capacity.

The upgrade project will therefore encompass both PFM functional and technical improvements, and include supplemental functional requirement specification and system reconfiguration, infrastructure alignment and optimization, data migration, integration with external systems, user training, and the incorporation and strengthening of internal control mechanisms within the upgraded platform.

MoFDP seeks to appoint as soon as possible a qualified and experienced Project Manager to oversee and manage the full lifecycle of the IFMIS upgrade for effective execution and coordination of all project components.

The Project Manager will work on-site in Maseru.

2. Objective of the assignment

The primary objective of the Project Manager is to coordinate and manage the full lifecycle of the IFMIS upgrade project from Epicor 10.2 to Epicor Kinetic, supporting:

- Successful and timely sequencing and implementation of upgrade activities;
- Minimal disruption to government financial operations;
- Strengthening of functional PFM support in IFMIS and embedding of internal controls within the system;
- Strengthening of MoFDP IFMIS governance processes and capacities;
- Compliance with Lesotho PFM legal and regulatory framework and ICT governance standards; and
- Seamless integration with related government systems.

3. Scope of Work of the Project Manager

The Project Manager shall be responsible for overall planning, coordination, execution, and monitoring of the IFMIS upgrade project.

4. Key Responsibilities of the Project Manager

4.1 IFMIS upgrade Project Planning and Governance

- Develop a comprehensive implementation plan for the IFMIS upgrade project, including all areas included under the scope of work and key responsibilities of the Project Manager.
- Define project deliverables, milestones, and timelines.
- Support project governance and reporting mechanisms.
- Coordinate the implementation plan with vendors and ensure that MoFDP requirements and priorities are incorporated in vendor planning prior to contract signing.
- Assist in coordinating with the PFM Steering Committee and key stakeholders.
- Advice on alignment with national ICT policies and Public Financial Management (PFM) frameworks.

4.2 IFMIS upgrade requirements

- Coordinate the review and validation of PFM functional and technical requirements, including:
 - Building on already existing documentation review the PFM functional areas in MoFDP to summarize and document identified shortcomings in current PFM processes with a view to update Epicor Kinetic configuration, including; i) Revenue administration, ii) Financial reporting and accounting procedures, iii) Capital expenditure, iv) Cash management and planning, v) Payment processing, vi) Month-end-closing of accounts, vii) Bank account reconciliation, and viii) Asset and inventory management.
 - Oversee the incorporation and strengthening of internal controls within Epicor Kinetic, including on-system i) Segregation of duties; ii) Role-based access controls; iii) Approval workflows; iv) Audit trails and logging mechanisms; v)

Budgetary controls; and vi) Compliance with financial regulations and audit standards.

- Plan the use of digital signature in PFM processes in collaboration with MICSTI and ensure Epicor Kinetic is configured for using MICSTI DSS for electronic signing of documents, forms, and transactions;
 - Identify possible automation of process steps in PFM processes and ensure that IFMIS is configured accordingly;
 - Review current data exchange arrangements with relevant stakeholders (Lesotho Revenue Services, other PFM systems (Payroll, Budget, Debt, Procurement, Public Investment), and Department of Home Affairs' ID system, and prepare a plan for electronic data exchange between Epicor Kinetic and relevant systems, including the use of the MICSTI interoperability platform where relevant; and ensure that system configuration is prepared accordingly; and
 - Prepare Epicor Kinetic for interfacing with the EPM Payment Gateway in collaboration with the Central Bank of Lesotho to fully transition to electronic expenditure payments.
- Oversee that system configurations reflect overall PFM regulatory requirements and additional Treasury and PFM control requirements.
 - Document the requirements and oversee vendor delivery of updated system documentation

4.3 Vendor and Stakeholder Coordination

- Support MoFDP coordination with Lesotho Revenue Service, MICSTI, Ministry of Public Service, Central Bank of Lesotho, Ministry of Home Affairs, Sector Ministries and Councils, and system vendors, infrastructure providers, and other stakeholders in matters related to the IFMIS upgrade.
- Support MoFDP in overseeing vendor performance and ensuring contractual obligations are met.
- Facilitate internal coordination in the MoFDP between Treasury, ICT, Public Debt, Budget, and other departments.

4.4 Infrastructure and Technical Oversight

- Advice on readiness of server infrastructure, databases, storage, and network components.
- Oversee migration to compatible operating systems and database platforms.
- Supervise data migration, validation, and reconciliation processes.
- Advice on the alignment of disaster recovery, storage, and backup mechanisms with the upgraded system.
- Advice on adequacy of cybersecurity arrangements.

4.5 System Configuration and Testing

- Oversee system configuration, customization (where necessary, preferably avoided), and integration.
- Oversee completion of:
 - Unit testing;
 - System Integration Testing (SIT);
 - User Acceptance Testing (UAT);
 - Security and performance testing.
- Oversee that all identified issues are resolved before go-live.

4.6 Change Management and Capacity Building

- Coordinate with the vendor for preparation and delivery of user training programs, including training material.
- Coordinate delivery of capacity building initiatives with other development partners for example, IMF, World Bank, EU, etc.

4.7 Risk and Quality Management

- Identify project risks and develop mitigation strategies.
- Monitor compliance with quality assurance standards.
- Oversee that project deliverables meet agreed specifications.

- Manage scope changes and escalation processes.
- Oversee cybersecurity arrangements and propose improvements where adequate.

4.8 Go-Live and Post-Implementation Support

- Develop and supervise planning of system go-live.
- Advice on adequacy of business continuity measures.
- Oversee post-implementation support and stabilization.
- Conduct post-implementation review of IFMIS and lessons learned assessment.

5. Deliverables of the Project Manager

The Project Manager shall deliver, at a minimum:

- Inception report, including work plan, and workshop 6 weeks after initiation of the assignment;
- Supplemental requirement specification in collaboration with the IFMIS team;
- Risk Management and monitoring plan;
- Advice to IFMIS team on Internal Controls Integration Framework;
- Advice to IFMIS team on Data Migration Strategy;
- Testing of IFMIS workflows and functionalities to ensure that internal controls are working as well as testing the integrity of reporting;
- Go-Live Plan;
- Project Status Reports (quarterly); and
- Final Project Completion Report.

6. Qualifications and Experience

6.1 Academic Qualifications

- At least a bachelor's degree in information technology, Computer Science, Information Systems, or equivalent.

6.2 Professional Experience

- More than two years of experience in managing large-scale ICT projects.
- Proven experience in managing a public sector financial management IT system platform/Enterprise Resource Planning (ERP) Systems, preferably Epicor
- Reasonable understanding of PFM functional requirements, internal controls, public financial management processes, and audit requirements.
- The criteria scale will be 70% technical and 30% financial. Only consultants who managed to score 70% or above will be eligible for the next step which is financial proposal bids.

6.3 Technical Competencies

- Strong knowledge of configuration and implementation of ERP systems, system architecture, and SQL databases.
- Experience with system performance optimization, implementation of audit trails.
- Knowledge of disaster recovery and business continuity planning.
- Familiarity with cybersecurity principles and ICT governance frameworks.

6.4 Skills and Attributes

- Strong leadership and ability to manage multidisciplinary teams.
- Excellent analytical and problem-solving abilities.
- Effective communication and reporting skills.
- High level of integrity and accountability.

7. Reporting and Supervision

The Project Manager will report to the Accountant General. Quarterly progress reports shall be submitted to report progress on the implementation plan and milestones.

8. Duration of Assignment

The on-site (Maseru) assignment will initially span 12 months with the possibility of extension till the completion of the IFMIS upgrade project, subject to a positive performance evaluation of the Project Manager' exercise of duties.

The assignment is planned to start in June 2026.

9. Performance Evaluation

The performance of the Project Manager shall be evaluated based on:

- Achievement of milestones within agreed timelines;
- Effective implementation of functional PFM improvements and incorporation of internal controls.