FEDERATED STATES OF MICRONESIA

REQUEST FOR EXPRESSIONS OF INTEREST

Country	Federated States of Micronesia
Project	Project for Strengthening Public Financial Management II (P181237)
Project Implementing Agency / Client	Department of Finance and Administration (DOFA)
Assignment Title	Finance Consultant for Yap State
Selection Method	Open International
Contract Type	Time Based
Reference No.	FM-DOFA-574066-CS-INDV
Credit/Grant No.	IDA-E4120
Date of Advertisement	October 16, 2026
Deadline for Submission	October 31, 2026

The Government of The Federated States of Micronesia (FSM) has received financing from the World Bank toward the cost of **the Strengthening Public Financial Management II (PFM II) Project (P181237)** and intends to apply part of the proceeds for consulting services.

The consulting services ("the Services") involve providing full-time technical advisory and capacity-building support under **Component 2 – Expand Core Financial Management Information System (FMIS), Subcomponent 2.1 – Continued Rollout of Core Public Finance System** of the PFM II Project.

The **Finance Consultant for Yap State** will support the Yap State Finance Department in the continued rollout, operationalization, and stabilization of the FreeBalance FMIS. The assignment will focus on validating financial transactions and data migrated from FundWare to FreeBalance, reconciling FY26 opening balances, strengthening accounting and financial reporting processes, improving internal controls related to FMIS operations, and building the capacity of State Finance staff to use the system effectively and sustainably.

The key responsibilities will include, but not be limited to:

- Reviewing and validating financial transactions, account balances, and data migrated from FundWare to FreeBalance, including the reconciliation and validation of FY26 opening balances.

- Supporting FreeBalance stabilization by identifying, documenting, prioritizing, escalating, and following up on accounting, data migration, transaction-processing, reporting, and system-related issues.
- Supporting monthly financial reporting, bank reconciliations, accounting entries, and month-end and year-end accounting processes in accordance with applicable GASB, GAAP, and FSM accounting requirements.
- Reviewing and strengthening internal controls, accounting procedures, and compliance-monitoring practices relevant to FMIS operations.
- Providing hands-on coaching and on-the-job training to Yap State Finance staff in government accounting, FreeBalance operations, reconciliations, financial reporting, data validation, and issue resolution.
- Coordinating with the FSM Department of Finance and Administration at the National Government level, the PFM II Project Management Unit, the FMIS Adviser, ICT personnel, and FreeBalance specialists to resolve accounting and system issues and support sustainable FMIS operations.

The assignment will be based in **Colonia, Yap State, Federated States of Micronesia**, with coordination with the FSM Department of Finance and Administration at the National Government level. The consultancy is expected to be full-time for twelve (12) months, with an anticipated start date as soon as possible, subject to completion of the selection and contracting process.

The detailed Terms of Reference (TOR) for the assignment can be found at the Department of Finance and Administration website: **https://dofa.gov.fm**, as part of this REOI, or can be obtained at the address given below.

The Department of Finance and Administration now invites eligible individuals ("Consultants") to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services. Consultants should submit a **Curriculum Vitae (CV)** describing their qualifications, professional experience, experience in similar assignments and relevant experience in similar institutional or country contexts together with a **cover letter** outlining their interest in the assignment and suitability for the position.

The criteria for selecting the Consultant are:

Mandatory Requirements:

The Consultant shall possess:

1. **Education:** A Master's degree in Accounting. Candidates holding a CPA qualification together with a degree in Finance, Information Systems, Public Administration, or an equivalent related field are also encouraged to apply.

2. **Professional Experience:** At least ten (10) years of progressive experience in public sector accounting, financial management, and Public Financial Management (PFM) reforms.
3. **Technical Expertise:** Demonstrated expertise in applying Governmental Accounting Standards Board (GASB) pronouncements and Generally Accepted Accounting Principles (GAAP), extensive experience with FMIS implementation, operationalization, stabilization, transaction processing, financial reporting, reconciliation and/or data migration, and demonstrated ability to identify, analyze, and resolve accounting, financial data, and system-related issues in an FMIS environment.

Desirable:

1. **Software Proficiency:** Experience with FundWare and/or FreeBalance, particularly in FMIS stabilization, troubleshooting, issue escalation, and coordination with system vendors and national-level technical teams.
2. **Capacity Building and Communication:** Proven ability to train and mentor government staff in financial reporting, PFM principles, and new software systems, supported by excellent analytical, communication, and report-writing skills.
3. **Governmental Accounting Knowledge:** Thorough knowledge of governmental fund financial statements and government-wide financial reporting, including the Statement of Net Position, the three categories of Net Position, program and general revenues, Transfers and Internal Balances, the five categories of Fund Balance, and the distinction between Revenues and Other Financing Sources and Expenditures and Other Financing Uses.
4. **Geographic Experience:** Prior experience working with island nations or small governments.

The attention of interested Consultants is drawn to **paragraphs 3.14, 3.16 and 3.17 of the World Bank's Procurement Regulations for IPF Borrowers, Seventh Edition, September 2025** ("the Regulations"), setting forth the World Bank's policy on conflict of interest.

Further information can be obtained at the address below during office hours 08:00 to 17:00 hours, Pohnpei Time.
Expressions of interest must be delivered in a written form to the address below by e-mail only **preferably by 5pm Pohnpei Time, October 31, 2026.** Expressions of Interest must be submitted **by email only** to the following addresses:

Attn: Osbert Atusaasiire
Project Manager PFM II
Department of Finance and Administration
Palikir, Federated States of Micronesia
Email: **osbert.atusaasiire@dofa.gov.fm**
And cc to: **arrio.abello@dofa.gov.fm**

Terms of Reference – Finance Consultant

Title:	**Finance Consultant**
Location:	Finance Department of the Yap State Government with Coordination with the FSM Department of Finance & Administration at the National Government level
Duration:	12 months
Tentative Start Date:	As soon as possible

1. Background

The project, Federated States of Micronesia (FSM) Strengthening Public Financial Management II (PFM II), builds upon key public financial management (PFM) reforms achieved under the previous FSM Project for Strengthening Public Financial Management (P161669) (PFM I). The objective of PFM II is to improve fiscal management practices and increase fiscal transparency at the National Government level. PFM II supports key strategic areas defined in FSM's 2023-2026 PFM Reform Roadmap, e.g. addressing challenges in core institutional public finance capacity. Specifically, the project supports:

1. Improved fiscal management practices and controls (Component 1)
2. Expanded core financial management information systems (Component 2)
3. Enhanced human resource capacity, communications and change management (Component 3)
4. Project management (Component 4)

The Federated States of Micronesia (FSM) Department of Finance & Administration is committed to enhancing its financial reporting and overall public financial management (PFM) capabilities.

The Government's financial statements must adhere to a complex set of reporting requirements, including those of the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP). Additionally, the FSM Government operates with various funds and component units, which necessitate specialized accounting and reporting treatments. Beyond financial reporting, the Government seeks to strengthen its budget preparation process, internal controls, and overall compliance framework to ensure greater efficiency, transparency, and accountability.

To address these challenges and improve the quality of financial management, the FSM Department of Finance & Administration (DOFA) seeks to engage a highly qualified Financial Consultant with expertise in public sector accounting, GASB, GAAP, fund

accounting, financial reporting, FMIS operationalization and stabilization and broader PFM principles.

The Finance Consultant will be assigned to the Yap State Finance Department and will work closely with State Finance staff, the FSM Department of Finance and Administration (DOFA) at the National Government level, the PFM II Project Management Unit, the FMIS Advisor, FreeBalance specialists and relevant ICT personnel. The Consultant will support the ongoing stabilization and effective operationalization of FreeBalance, including addressing accounting and data issues arising from the migration from FundWare to FreeBalance.

2. Objective

The primary objective of the consultancy is to strengthen financial management, accounting, reporting and FMIS operations at the State level, with particular emphasis on supporting the ongoing FreeBalance Stabilization Strategy and ensuring the accuracy and completeness of financial information in FreeBalance. The Consultant will:

1. Verify revenue and expenditures including payroll and other financial transactions for accuracy, completeness, appropriate classification and compliance with applicable accounting requirements.
2. Conduct transaction reviews and reconciliations to validate data originating from FundWare and other legacy records against data captured in FreeBalance and identify and address outstanding accounting and migration issues.
3. Establish and implement robust procedures for validating, classifying, coding and recording revenues and expenditures in FreeBalance.
4. Provide hands-on support to relevant Finance staff in processing, reviewing and validating transactions in FreeBalance and strengthening their ability to use the system effectively.
5. Support the identification, reconciliation and resolution of outstanding accounting and data migration issues from FundWare to FreeBalance, and validate that migrated financial information is accurate, complete and appropriately classified.
6. Ensure that GASB, GAAP and applicable FSM accounting and financial reporting requirements are appropriately reflected in transactions, reconciliations, migrated data and financial reports.
7. Validate that opening balances for FY26 accounts in FreeBalance are accurate, complete, properly supported and reconciled to the relevant prior-period financial records.
8. Coordinate technical and system-related issues with the FSM Department of Finance and Administration at the National Government level, including the FMIS Advisor, ICT Advisor, FreeBalance specialists and other designated technical resources.

3. Scope of Work

The consultant will be responsible for, but not limited to, the following tasks:

A. FMIS Operationalisation, Stabilization and Data Validation:

- **Data Migration and Accounting Issues:** Support the review and resolution of outstanding accounting and data migration issues arising from the transition from FundWare to FreeBalance. The Consultant will work with State Finance staff and relevant technical specialists to identify discrepancies, determine appropriate accounting treatment and follow up on corrective actions.
- **FreeBalance Stabilization:** Actively support the implementation of the FreeBalance Stabilization Strategy by identifying, documenting, prioritising and following up on operational, accounting, transaction, reporting and data issues affecting the State Finance Department.
- **Data and Transaction Validation:** Work with State Finance staff and relevant technical specialists to validate migrated data and transactions, identify discrepancies and ensure that corrective actions are properly implemented.
- **FY26 Opening Balances:** Review and reconcile FY26 opening balances in FreeBalance to the relevant prior-period records and supporting documentation, and ensure that opening balances are accurate, complete and appropriately classified.
- **Ongoing Operational Support:** Provide on-site and remote support to address continuing FreeBalance operational, accounting, data and reporting issues as part of the stabilization process.
- **Software Training:** Collaborate with the software vendor and internal staff to ensure the training program for the new FreeBalance system effectively addresses the needs of all users.
- **Technical Coordination and Escalation:** Coordinate technical issues with the FSM Department of Finance & Administration at National Government level, including the FMIS Adviser, ICT personnel and FreeBalance specialists. Where appropriate, document and escalate issues through the FreeBalance support channels and follow up until resolution or an agreed corrective action is established

B. Internal Control and Compliance:

- **Internal Control Framework:** review and strengthen the existing accounting policies, procedures and manual to enhance the internal control framework, focusing on key financial processes such as revenue collection, asset management, payroll, etc.
- **Compliance:** assist in the development of a compliance checklist or a compliance-monitoring system to ensure adherence to financial/accounting regulations, laws, and policies.
- **Risk Assessment:** Conduct a risk assessment of key financial processes and recommend mitigation strategies.
- **Control Implementation and Follow-up:** Provide practical support to Finance staff in implementing and monitoring accounting controls, particularly controls relating to transaction processing, reconciliations, financial reporting, data quality and FreeBalance operations.

C. Accounting and Financial Reporting Support:

- Train accountants in government institutions on how to post accounting entries in the FreeBalance system and provide on the job support.
- Support government accountants to produce monthly reports on the FreeBalance system
- Provide on the job support to do bank reconciliations and enter government assets into the FreeBalance system.
- Support the preparation and review of monthly and periodic financial reports, including review of supporting schedules and follow-up of unusual balances, unreconciled items and reporting discrepancies.
- Support bank and other account reconciliations and follow up on outstanding reconciling items.
- Review transactions and account balances to identify accounting errors, incomplete postings, incorrect classifications or other issues affecting the reliability of financial information.
- Support month-end and year-end accounting processes and ensure that relevant balances and supporting records are appropriately reconciled and maintained.
- Provide specific support to validate FY26 opening balances and ensure that they are complete, accurate, reconciled and supported by appropriate documentation.

D. FreeBalance Stabilization and Issue Management

- Maintain a structured record of FreeBalance issues identified by the State Finance Department, including the nature of the issue, affected transactions/accounts, actions taken, responsible parties and status.
- Work with the FMIS Adviser, FreeBalance specialists, ICT personnel and National DoFA to investigate and resolve issues affecting transaction processing, accounting, reporting, data migration and system functionality.
- Escalate unresolved technical issues through the appropriate FreeBalance support channels and coordinate follow-up with National DoFA and relevant technical specialists.
- Validate implemented corrections and confirm that resolved issues have been appropriately addressed from an accounting and financial reporting perspective.

E. Knowledge Transfer:

- Conduct workshops and one-on-one training sessions for the Department of Finance & Administration staff on financial reporting, PFM principles, and internal controls.
- Assist in the development or revision of financial reporting, budgeting, and internal control policies and procedures to align with best practices and international standards.
- Provide hands-on coaching and on-the-job training to State Finance staff in FreeBalance transaction processing, reconciliations, financial reporting, data validation and issue identification.

- Build the capacity of State Finance staff to independently identify, document, escalate and follow up on FreeBalance and accounting issues.
- Coordinate capacity-building activities with the FMIS Adviser, FreeBalance specialists and National DoFA to avoid duplication and ensure consistency of technical guidance.

4. Deliverables

The consultant will be expected to produce the following deliverables:

No.	Deliverable	Frequency / Timing
1	**Initial Assessment and Work Plan** – assessment of accounting, financial reporting, reconciliation, FreeBalance operationalisation, outstanding FundWare-to-FreeBalance issues, FY26 opening balances, internal controls and key capacity needs, with an agreed work plan.	Once – within first month
2	**Monthly Finance, FMIS and Stabilization Report** – progress on financial reporting and reconciliations; FreeBalance issues identified and escalated; FundWare-to-FreeBalance accounting/migration issues; FY26 opening balance validation; corrective actions and outstanding matters; and capacity-building activities.	Monthly
3	**Financial Reporting, Reconciliation and Accounting Support** – monthly financial reports, reconciliations, transaction validation, review of accounting records and supporting schedules, and follow-up of outstanding accounting issues.	Monthly / ongoing
4	**Capacity Building and OJT** – practical coaching and on-the-job support to State Finance staff in FreeBalance, accounting, reconciliations, financial reporting, internal controls and issue resolution.	Ongoing; summarized monthly
5	**Final Assignment Report** – summary of work completed, key findings, outstanding FreeBalance/accounting issues, actions taken, capacity built and recommendations for continued stabilization and sustainability.	Once – end of assignment

5. Qualifications and Experience

The ideal candidate will have a strong background in public sector finance, including extensive experience with government accounting standards, financial systems, and capacity building.

Mandatory Qualifications

- **Education:** A Master's degree in Accounting. A Certified Public Accountant (CPA) designation is highly preferred. If you do have a CPA qualification and a different degree that relates to Finance, Information Systems, Public Administration or equivalent in a related field, you are encouraged to apply.

- **Professional Experience:** A minimum of 10 years of progressive experience in public sector accounting, financial management, and Public Financial Management (PFM) reforms.
- **Technical Expertise:** Demonstrated expertise in the application of Governmental Accounting Standards Board (GASB) pronouncements and Generally Accepted Accounting Principles (GAAP).
- Extensive experience with Financial Management Information System (FMIS), including FMIS implementation, operationalization, stabilization, transaction processing, financial reporting, reconciliation and/or data migration, preferably with public sector clients.
- Demonstrated experience in identifying, analyzing and resolving accounting, financial data and system-related issues in an FMIS environment.

Desired Qualifications

- **Software Proficiency:** Experience with Fundware and/or FreeBalance software.
- **Capacity Building:** Proven ability to work with and train government staff on financial reporting, PFM principles, and new software systems.
- **Analytical Skills:** Excellent analytical, communication, and report-writing skills.
- **Geographic Experience:** Prior experience working with island nations or small governments.
- **Governmental Accounting Knowledge:** Thorough knowledge of concepts and principles related to governmental fund financial statements.
- Experience in constructing the Statement of Net Position in government-wide financial statements.
- A working understanding of the three categories of Net Position, and how to distinguish between program and general revenue.
- Familiarity with the differences between Transfers and Internal Balances accounts.
- A strong grasp of the five categories of Fund Balance.
- Knowledge of the differences (for governmental funds) between Revenues and Other Financing Sources and Expenditures and Other Financing Uses.
- Experience supporting FMIS stabilization, troubleshooting, issue escalation and coordination with system vendors and national-level technical teams.

6. Duration and Reporting

- **Duration:** The consultancy is expected to be for a period of 1 year.
- **Reporting:** The Consultant will report directly to the Secretary of the FSM Department of Finance & Administration or a designated representative. The Financial Consultant will work closely with the Finance Department of the Yap State Government and coordinate with the PFM II Project Management Unit on matters related to the assignment.
- Regular progress reports will be required on monthly basis.
- Monthly progress reports will include at a minimum, activities completed, financial reporting and reconciliation support, FreeBalance issues identified and escalated, FundWare-to-FreeBalance accounting/migration issues, FY26

opening balance validation, corrective actions, capacity-building activities and outstanding issues requiring follow-up.