Terms of References (ToR)

Title of the Work:

"Functional Audit on Recruitment (Entry-Level and Lateral Recruitment), Promotions, and Annual Increment Disbursement Undertaken During the Period from 01 January 2017 to 31 December 2025"

1. Background

Reference is invited to the resolution adopted by the Board of Directors of Bangladesh Commerce Bank Limited (BCBL) at its 432nd Meeting held on 16 July 2026, whereby it was resolved that a comprehensive Functional Audit be conducted on all recruitment, promotion, and annual increment disbursement activities undertaken during the period from **January 2017 to August 2024.**

Accordingly, BCBL intends to engage an independent, qualified, and experienced external audit/consulting firm to conduct the aforesaid Functional Audit covering the period from 01 January 2017 to 31 December 2025 to ensure comprehensive coverage.

Interested firms are hereby invited to submit their proposals in accordance with the following Terms of Reference (ToR).

2. Objective of the Functional Audit :

The primary objectives of the audit are to:

a) Examine the legality, transparency, fairness, and procedural compliance of **all recruitment, all Promotions** and **Increment disbursed** during the period from 2017 to 2025;
b) **Assess compliance with** applicable laws, rules, regulations, circulars, policies, guidelines, service rules, and directives of Bangladesh Bank and the Board of Directors.
c) **Verify whether all necessary approvals** were obtained at every stage of recruitment and promotion activities & Increment disbursed.
d) **Identify and report** any irregularities, deviations, non-compliance, procedural lapses, control weaknesses, conflicts of interest, favoritism, abuse of authority, or any other instances of improper or unauthorized practices observed during the audit.
e) **Verify the accuracy of pay fixation** upon the introduction of revised Pay Scales, Promotions, and Annual Increments, including the correctness of effective dates, arrear calculations (where applicable), and the resulting financial impact, if any.
f) **Recommend** appropriate corrective, preventive, and governance-enhancing measures to address the identified deficiencies, strengthen internal controls, improve transparency and accountability,

3. Terms of References /Key Audit Areas

The Functional audit shall cover all recruitment, promotion, and annual increment disbursement activities undertaken between 01 January 2017 and 31 December 2025, including but not limited to the following:

A. Recruitment Audit

1) Review of manpower requisitions, workforce planning, and approval processes.
2) Verification of recruitment advertisements, circulars, and publication procedures.
3) Examination of eligibility criteria, educational qualifications, age requirements, experience requirements, and selection standards.
4) Review of application screening, shortlisting, written examinations, interviews, viva voce, and evaluation procedures.
5) Verification of engagement of external recruitment agencies, testing organizations, or consultants, where applicable.
6) Examination of merit lists, waiting lists, selection records, and approval notes.
7) Verification of approvals of the Competent Authority in compliance with recruitment policies, service rules, Bangladesh Bank guidelines, and Board directives.
8) Review of the recruitment focusing on:
   - Probationary officer;
   - Trainee Assistant Officers;
   - Trainee Assistant Officers (Cash);
   - Trainee Junior Officers;
   - Officers and Executives at all grades (Lateral level Recruitment) including contractual personnel;
   - Sub-Staff (Temporary, Casual & Contractual) ;

B. Promotion Audit

1) Examination of promotion processes for all grades and designations; Verification of seniority lists and promotion eligibility records, performance evaluation process, KPIs, ACRs, and other promotion criteria.
2) Review of promotion committee proceedings, recommendations, and approval processes; Assessment of fairness in promotion decisions.
3) Examination of supersession, accelerated promotions, special promotions, and promotion appeals, if any.
4) Review of promotion policies, criteria, and eligibility requirements applicable during different periods.
5) Verification of the accuracy of pay fixation data upon the introduction of revised Pay Scales and subsequent Promotions, including validation of pay fixation calculations, service records, and verification of compliance with applicable laws, service rules, HR policies, Board decisions, and Bangladesh Bank directives.

C. Increment Audit

1) Examination of Increment disbursed for all grades and designations; Verification of employee eligibility;confirmation status; service continuity;disciplinary restrictions (if any); qualifying service.
2) Review of approval proceedings, compliance with policies, service rules, Bangladesh Bankguidelines, and Board directives and statutory requirements.
3) Verify the accuracy and completeness of pay fixation, increment calculations, payroll implementation, effective dates, arrear calculations, system postings, manual adjustments, and reconciliation with payroll records, and assess the adequacy of related internal controls and compliance with applicable laws, HR policies, service rules, Board decisions, and Bangladesh Bank directives.

The auditors shall also identify: Governance risks; Operational risks; Financial risks; Legal risks; Regulatory risks; Fraud risks; Reputational risks; Internal control weaknesses.

Finally, the audit shall evaluate the adequacy and effectiveness of governance, internal controls, approval mechanisms, segregation of duties, transparency, accountability, documentation, and record management relating to the aforesaid HR processes, and assess compliance with applicable laws, HR policies, service rules, Board decisions, Bangladesh Bank directives, and principles of good corporate governance.

Deliverables

The selected audit firm shall submit:

a) **Inception Report-** include Understanding of the assignment; detailing methodology, audit plan, timelines, and information requirements.

b) **Draft Functional Audit Report** containing:
- Executive Summary;
- Scope and Methodology;
- **Audit Observations;**
- Root Cause Analysis;
- Risk Assessment;
- Governance and Internal Control Assessment;
- Quantification of significant impacts (where applicable);
- Recommendations.

c) Final Functional Audit Report Submission (incorporating management responses, Auditor's recommendations; Final risk ratings, Executive conclusion).

d) **Presentation to the Board of Directors** & Board Audit Committee summarizing Significant observations- Major governance issues, Regulatory concerns, High-risk findings, Recommended corrective actions & implementation roadmap.

Payment Schedule

Milestone	Payment
Acceptance of Inception Report	30%
Acceptance of Final Report	**50%**
Final Presentation and Completion	20%

Confidentiality

The selected firm shall maintain strict confidentiality of all information, records and documents obtained during the assignment. No information shall be disclosed to any third party without prior written approval of BCBL.

Rights of the Bank: Bangladesh Commerce Bank Limited reserves the right to accept or reject any or all proposals, cancel the procurement process, or modify the scope of work at any stage without assigning any reason and without incurring any liability to the applicants.

Other Required Info:

"Functional Audit on Recruitment (Entry-Level and Lateral Recruitment), Promotions, and Annual Increment Disbursement Undertaken During the Period from 01 January 2017 to 31 December 2025"

Scope of the Assignment

Iindependent Functional Audit on:

- Review the legality, transparency, fairness and procedural compliance of recruitment, promotion and annual increment activities;
- Assess compliance with applicable laws, regulations, Bangladesh Bank directives, Service Rules, HR Policies and Board decisions;
- Examine governance, internal controls and approval mechanisms;
- Verify the accuracy of pay fixation, promotion fixation, annual increments and arrear calculations etc where applicable;
- Identify irregularities, control weaknesses, governance deficiencies, conflicts of interest and associated risks; and
- Recommend appropriate corrective and preventive measures together with governance improvement initiatives.

Basic Eligibility Criteria:

Interested firms should satisfy, inter alia, the following minimum requirements:

- Minimum 05 years' experience in audit and/or consulting services;
- Proven experience in conducting similar assignments for banks, financial institutions or large organizations;
- Adequate multidisciplinary professional experts in HR, Banking, Audit, Compliance, Legal and Data Analytics;
- No conflict of interest with Bangladesh Commerce Bank Limited;
- Not blacklisted by any Government agency, Bangladesh Bank or any public-sector organization;
- Capability to complete the assignment within the stipulated timeframe while maintaining strict confidentiality.

Documents to be Submitted:

Interested firms shall submit the Company Profile; Certificate of Incorporation/Registration; Valid Trade License; TIN and VAT Registration Certificates; List of Directors/Partners; Details of Professional Staff; Relevant experience during the last five years; Similar assignment completion certificates/work orders; Client references; Proposed audit methodology; Detailed work plan; Team composition with CVs of key professionals; Conflict of Interest/Independence Declaration; and Confidentiality Undertaking.

Selection Method:

The selection shall be carried out through the **Quality and Cost Based Selection (QCBS)** method. Only firms meeting the qualifying technical criteria shall be considered for financial evaluation. Technical and Financial Proposals shall be submitted separately in accordance with the ToR. Only firms safisfying the qualifying technical Criteria shall have their **financial proposals opened.**

- **Technical Evaluation Criteria:** The evaluation shall be based on Firm's experience, Similar assignments, Qualifications of key experts, Understanding of assignment, proposed Methodology, Work Plan and Knowledge of banking regulations and HR governance.
- **Financial Evaluation Criteria:** The evaluation shall be based on the **Detailed financial proposal**, ncluding- Professional fees; Man-days; Taxes & VAT; Any other reimbursable expenses or associated cost;**Grand Total Cost; Payment Schedule, etc.**

Assignment Duration:

The assignment is expected to be completed within **60 (Sixty) calendar days** from the date of commencement of the assignment unless otherwise approved by the Bank.

Submission of EOI:

Interested firms are requested to submit their Expression of Interest together with the required documents in sealed envelope clearly marked:

"Expression of Interest (EOI) – Functional Audit on Recruitment, Promotions and Annual Increment (2017–2025)"

To:
Head of Human Resources Division
Bangladesh Commerce Bank Limited, Head Office,
Eunoos Trade Centre (Level-22), 52-53 Dilkusha Commercial Area, Dhaka-1000

Submission Deadline 16-09-2026

BCBL's Right: Bangladesh Commerce Bank Limited reserves the right to accept or reject any or all EOIs without assigning any reason whatsoever and shall not be liable for any costs incurred by applicants in preparing or submitting their EOI.